PRESIDENTIAL SUCCESSION

The Senate resumed the consideration of the bill (S. 564) to provide for the performance of the duties of the office of President, in case of the removal, resignation, or inability both of the President and Vice President.

RECESS

Mr. WHITE. Mr. President, so far as I know, that concludes the business which is to come before the Senate today. Therefore I move that the Senate stand in recess until 12 o'clock noon tomorrow.

The motion was agreed to; and (at 4 o'clock and 56 minutes p. m.) the Senate took a recess until tomorrow, Tuesday, June 24, 1947, at 12 o'clock meridian.

CONFIRMATIONS

Executive nominations confirmed by the Senate June 23 (legislative day of April 21), 1947:

UNITED STATES CUSTOMS COURT

Hon. Jed Johnson to be judge of the United States Customs Court.

UNITED STATES MARSHAL

Otto Schoen to be United States marshal for the eastern district of Missouri.

WITHDRAWAL

Executive nomination withdrawn from the Senate June 23 (legislative day of April 21), 1947:

POSTMASTER

Eugene S. Hunton to be postmaster at Hartford, in the State of Arkansas.

HOUSE OF REPRESENTATIVES

MONDAY, JUNE 23, 1947

The House met at 12 o'clock noon.

Rev. Donald C. Beatty, D. D., chaplain, Veterans' Administration, Washington, D. C., offered the following prayer:

Almighty God, we pause in this hour to acknowledge Thy claim on our loyalty and our service. Beyond all lesser claims, we know that Thou dost call us to serve Thee. We therefore pray "Thy Kingdom come" both in our hearts and minds and in this our beloved country.

Grant that, in carrying out the responsibilities of our daily lives, we may have the consciousness that we are, in our place and time, advancing Thy will for us and for mankind.

Grant to us such a measure of Thy spirit of good that it will enliven our imaginations, animate our purposes, and sanctify all our doings.

Not only for ourselves, our Father, do we pray: For every child of Thine—the afflicted in body or in spirit, the distressed, the homesick, and the homeless—we would remember them and serve them as for Thee.

Free us, we pray, from needless anxiety and groundless fears; strengthen our purposes of good; and, ever and always, give us Thy peace. Amen.

The Journal of the proceedings of Friday, June 20, 1947, was read and approved.

MESSAGE FROM THE PRESIDENT

A message in writing from the President of the United States was communicated to the House by Mr. Miller, one of his secretaries, who also informed the House that on the following dates the President approved and signed bills of the House of the following titles:

On June 20, 1947:

H. R. 620. An act for the relief of Blanche E. Broad.

On June 21, 1947:

H. R. 765. An act for the relief of Elwood L. Keeler;

H. R. 925. An act for the relief of Therese R. Cohen;

H. R. 1412. An act to grant to the Arthur Alexander Post, No. 68, the American Legion, of Belzoni, Miss., all of the reversionary interest reserved to the United States in lands conveyed to said post pursuant to act of Congress approved June 29, 1938;

H. R. 1874. An act to amend the act entitled "An act to provide that the United States shall aid the States in the construction of rural post roads, and for other purposes," approved July 11, 1916, as amended and supplemented, and for other purposes; and

H. R. 1482. An act for the relief of the legal guardian of Gilda Cowan, a minor.

MESSAGE FROM THE SENATE

A message from the Senate, by Mr. Frazier, its legislative clerk, announced that the Senate had passed, with amendments in which the concurrence of the House is requested, a bill of the House of the following title:

H. R. 3737. An act to provide revenue for the District of Columbia, and for other purposes.

The message also announced that the Senate insists upon its amendments to the foregoing bill; requests a conference with the House on the disagreeing votes of the two Houses thereon, and appoints Mr. CAIN, Mr. FLANDERS, and Mr. McGRATH to be the conferees on the part of the Senate.

The message also announced that the Senate had passed, with amendments in which the concurrence of the House is requested, a bill of the House of the following title:

H. R. 3611. An act to fix and regulate the salaries of teachers, school officers, and other employees of the Board of Education of the District of Columbia, and for other purposes.

The message also announced that the Senate insists upon its amendments to the foregoing bill; requests a conference with the House on the disagreeing votes of the two Houses thereon, and appoints Mr. CAIN, Mr. FLANDERS, and Mr. McGRATH to be the conferees on the part of the Senate.

The message also announced that the President pro tempore has appointed Mr. LANGER and Mr. CHAVEZ members of the joint select committee on the part of the Senate, as provided for in the act of August 5, 1939, entitled "An act to provide for the disposition of certain records of the United States Government," for the disposition of executive papers in the following departments and agencies:

1. Department of Justice.
2. Department of the Navy.
3. National Archives (General Schedule No. 6).
4. Office of Temporary Controls.

ILLINOIS AND MICHIGAN CANAL

Mr. DONDERO. Mr. Speaker, I ask unanimous consent to take from the Speaker's table the bill (H. R. 1628) relinquishing to the State of Illinois certain right, title, or interest of the United States of America, and for other purposes, with a Senate amendment thereto, and concur in the Senate amendment.

The Clerk read the title of the bill.

The Clerk read the Senate amendment, as follows:

Page 2, line 2, after "Grundy", insert "Du Page."

The SPEAKER. Is there objection to the request of the gentleman from Michigan?

There was no objection.

The Senate amendment was concurred in.

A motion to reconsider was laid on the table.

FLOOD CONTROL, REPUBLICAN VALLEY, NEBR.

Mr. CURTIS. Mr. Speaker, I ask unanimous consent to address the House for 1 minute and to revise and extend my remarks.

The SPEAKER. Is there objection to the request of the gentleman from Nebraska?

There was no objection.

Mr. CURTIS. Mr. Speaker, tragedy has once more struck in the Republican Valley in southwest Nebraska. It was 12 years ago this summer that a flood took the lives of 112 of our citizens. At that time there was high water on the main stem on Medicine Creek and on all the tributaries.

Yesterday at 5:30 in the morning a wall of water came down Medicine Creek, flooding the city of Cambridge. The water and debris reached the second-story windows of many of the houses. All communications are cut off. The main line of the Burlington Railroad is out again. The first reports indicate that 50 or more people were missing. The latest information shows that there are 10 known dead and 4 yet unaccounted for.

A program of flood control and water utilization has been authorized for this territory. Construction was not reached before the war. The work of the Army engineers and the Bureau of Reclamation in the Republican Valley is just now getting started.

I wish to urge, with all the force at my command, that the Congress, the President, the Army engineers, the Bureau of Reclamation, and the Bureau of the Budget recognize that an emergency exists, that temporary help be extended, and that steps be taken to speed up all of the work that has been planned. What has happened at the stricken and sorrowing city of Cambridge can happen at a number of points on the Republican River. I repeat what I have said before, that from the standpoint of river development the Republican River Basin is the most neglected spot in America.

EXTENSION OF REMARKS

Mr. TWYMAN asked and was given permission to extend his remarks in the

RECORD in two instances and include an editorial.

Mr. MUNDT asked and was given permission to extend his remarks in the RECORD and include certain references and quotations from outside sources.

Mr. MERROW asked and was given permission to extend his remarks in the RECORD and include an article written by him entitled "A Realistic Farm Policy."

PERMISSION TO ADDRESS THE HOUSE

Mrs. ROGERS of Massachusetts. Mr. Speaker, I ask unanimous consent to address the House for 1 minute, and to revise and extend my remarks and include a radio broadcast delivered by me over WOL last Sunday.

The SPEAKER. Is there objection to the request of the gentlewoman from Massachusetts?

There was no objection.

Mrs. ROGERS of Massachusetts. Mr. Speaker, I said over the radio on station WOL yesterday afternoon:

Today, as every American who has the present and future greatness of his country at heart is proudly aware, marks the third anniversary of the enactment into law of the GI bill of rights.

Three years ago, in obedience to the will of the American people, expressed overwhelmingly through their elected Representatives in the Congress, the President of the United States signed a daring new charter in human rights.

As an American, I rejoice in this free expression of the heart and mind and conscience of a free people.

As one of the sponsors at the request of the American Legion of the GI bill of rights, and as chairman of the Veterans' Affairs Committee, House of Representatives, Eightieth Congress, I rejoice in the work of the Seventy-eighth Congress that produced this historic achievement.

I rejoice in the work of succeeding Congresses that has further widened and liberalized the opportunities for good citizenship embodied in the original act.

In a very real sense the enactment of the GI bill marked the coming of age of the American people.

Long before the shooting war ended it had become apparent to thoughtful Americans, both in and out of Congress, that the gigantic world conflict that was to put 16,000,000 of our finest young men into uniform might conceivably lead to national postwar tragedy if the postwar needs of those millions of young fighting men were minimized or ignored altogether.

Before our eyes was the picture of the aftermath of World War I. Thirty years ago the readjustment of veterans to useful and self-reliant citizenship was regarded by most Americans in terms so narrow that readjustment became little more than a medical program for the hospital treatment and care of those wounded in battle.

Thirty years ago restoration of lost opportunities for peacetime citizenship was left largely to the veterans themselves.

If a veteran had to give up his ambitions for a useful professional career because of lack of educational opportunities, that was regarded pretty generally as his own affair.

If he failed to acquire working skills because of time and opportunity torn out of his life by war, he was free to take the unskilled job that nobody else wanted, or perhaps find no job at all.

If he wanted to establish a home for his family, or go into business for himself, or get started on his own farm, it was, generally speaking, no direct concern of his Government or his fellow citizens.

Thirty years ago Americans accepted postwar stagnation and ruin for many of its veterans as a natural calamity, to be accepted passively as part of the normal and ugly price of war.

The enactment of the GI bill blasted that outworn concept of veterans' readjustment to smithereens.

Just 3 years ago today the citizens of America, through their Congress, proclaimed by law that after war ends the right to normal peacetime opportunities, retarded by war, can and must be reestablished for our millions of fellow citizens who fought and won the war for all.

It is this theory and this practice that underlies the GI bill. It underlies every other piece of legislative justice for our citizen veterans placed on the statute books of the Nation by the Congress.

Three years of accelerated progress under the GI bill have justified beyond all doubts the creative thinking and the coordinated action that produced the law.

The number of our fellow citizens who are veterans of World War II now tops 14,000,000.

Today more than half of our two and a quarter million college students are veterans. They are getting their education at Government expense with the active help of the Veterans' Administration, which carries out the mandate of the laws enacted for veterans by Congress.

This vast educational and training program adds strength to the very bone and marrow of America. By enriching the productive capacity of a whole generation of Americans, we are enriching the living strength of our country.

By the 1st of May, more than three-quarters of a million loans had been approved for guaranty by the Veterans' Administration, in accordance with the provisions of the GI bill of rights. These loans have provided sorely needed opportunities to hundreds of thousands of our fellow citizens to get decent housing for their families, or to make a bold new start in businesses or on farms of their own.

This, then, is the meaning of the GI bill. If veterans are to grow and share in the productive life of this Nation, they must be given the opportunities to equip themselves with the skills and the training needed to earn jobs, to hold jobs, and to produce jobs in a prosperous and unified America.

All of our citizens, including all our fellow citizens who are veterans, must pay for this program. But in spreading the costs we are, by the same token, spreading the gains. Every family has at least one relative who may benefit from this far-reaching legislation. For all citizens, including our fellow citizens who are veterans, will profit from such Nation-wide gains throughout the rest of our lives.

Let us rejoice in the GI bill of rights. Let us rejoice in the America that produced it. Let us especially rejoice in the magnificent work being done by veterans under its provisions.

LOBBYISTS

Mr. ARENDS. Mr. President, I ask unanimous consent to address the House for 1 minute.

The SPEAKER. Is there objection to the request of the gentleman from Illinois?

There was no objection.

Mr. ARENDS. Mr. Speaker, there is a law on the statute books requiring the registration of lobbyists, and the reporting of their salaries and expenses. I understand more than 800 such persons have registered under this law. Last week during the discussion of the President's veto message on labor some 800 lobbyists were reported to have come to Washington in an automobile veto caravan. They came here for the purpose of influencing the President to veto the Labor Act and to exert their influence on Members of Congress to sustain such veto.

Who paid their expenses? Have they registered as lobbyists?

There have been reports that labor organizations have spent more than $1,000,000 in lobbying against the labor act and for sustaining the veto. Have those expenses been reported as lobbying costs?

Phil Murray, president of the CIO, was interviewed on a radio program Friday night called Meet the Press. In that radio interview Mr. Murray said that he had talked to various Members of Congress about the act. Mr. Murray was asked if he thought that would come under the head of lobbying. He replied that he did not believe so. Many Members had called him asking about the act, he replied. Is that lobbying and is Mr. Murray registered as a lobbyist?

According to the press the President, on Friday, invited 13 Members of the Senate to luncheon. It is reported that he spoke to the Senators about his labor bill veto. Was that lobbying?

Mr. Speaker, I would like to know just who is a lobbyist and who is lobbying whom.

THE TRUTH ABOUT SOIL CONSERVATION APPROPRIATIONS FOR 1948

Mr. MURRAY of Wisconsin. Mr. Speaker, I ask unanimous consent to address the House for 1 minute and to revise and extend my remarks.

The SPEAKER. Is there objection to the request of the gentleman from Wisconsin?

There was no objection.

Mr. MURRAY of Wisconsin. The New Dealers are living up to form in their sending out of false propaganda about appropriations for the 1948 Soil Conservation Service. Since most of the New Dealers, the majority of the ones present, voted to liquidate the sheep business in America on June 16, 1947—an industry like all livestock enterprises that is associated with soil conservation—they are in a rather embarrassing position and on thin ice when it comes to talking about soil conservation. These New Dealers voted to destroy the sheep breeders' soil-conservation program. Livestock production is soil conservation. During the past 5 years one-third of the sheep industry of the United States has been liquidated. Now the New Dealers are after the other two-thirds. If Texas sheepmen, with nearly 20 percent of the sheep of the Nation, are to be liquidated, if Oklahoma sheepmen are to be liquidated, if Missouri sheepmen are to be liquidated, and Minnesota and New Mexico sheepmen are to be liquidated, and Tennessee sheepmen are to be liquidated, by the administration, it will not do them any good to try to send out fake and false propaganda about the appropriation for Soil Conservation Service to the sheepmen of America. The sheepmen of America are carrying on a soil-conservation program of their own. The

sheepmen do not want the New Dealers interfering with their Soil Conservation Service either, as they have voted to do. If and when the sheep are liquidated, still bigger and better appropriations will be demanded from the United States Treasury in the name of soil conservation.

What are the facts about the appropriations for the Soil Conservation Service? The following is from page 256 of the hearings:

Appropriations

1938	$22,175,000
1939	21,462,349
1940	21,462,349
1941	16,705,750
1942	23,516,775
1943	20,510,812
Supplemental (overtime)	1,473,720
1944	19,511,855
Overtime pay	3,016,948
1945: $28,340,000, less overtime, $3,964,700	24,375,300
1946	33,211,800
1947	39,300,000
1948: Plus pending increase due to 1946 Pay Act, $4,000,000	38,437,000

What does this official list show?

First. That the $38,437,000 for 1948 is a larger appropriation than was made for any year except 1947. The appropriation for research under the Soil Conservation was cut from $1,423,000 in 1947 to $673,000 for 1948. The reason given was than many old districts had already had the benefits of this research, and the $673,000 is sufficient for the new districts. It was also claimed that much of this research work was being carried on by the States.

Second. That in 1947 the $4,000,000 was used under the Pay Act which provided a total of $43,300,000 used. This would make some $5,000,000 less money available in 1948 than in 1947.

Third. The appropriation for 1948 was $5,000,000 more than for 1946.

Many agencies of the Federal Government are receiving appropriations in the name of soil conservation. What are these agencies?

First. The Federal appropriations to experimental stations where funds are used for soil experiments and tests. This appropriation was not reduced.

Second. The Extension Service. The extension service with its soil specialists have for 30 years carried on soil conservation. This appropriation was not reduced.

Third. Forestry Service. In some of the sandy areas, tree planting is one of the first requirements for soil conservation. The farm forestry project is kept and retained in full. This appropriation was not reduced.

Fourth. The TVA has distributed free fertilizer. This has been given away mostly in the South. A few pounds to one farmer; a carload to another, free.

Fifth. The Soil Conservation Service appropriations. You will note that the 1948 appropriations for the Soil Conservation Service of $38,437,000 is $16,000,000, or 74 percent more than the 1943 appriations; the 1948 Soil Conservation Service appropriation is $15,591,000, or 72 percent more than the 1944 appropriation; the 1948 appropriation of $38,437,000 for soil conservation was $10,097,000, or 35 percent more than 1945; the 1948 Soil Conservation Service appropriation of $38,437,000 was $5,226,000, or 18 percent more than for 1946; the 1948 appropriation was $853,000, or 2 percent less than for 1947, when the pending Pay Act appropriation is not considered. When and if this $4,000,000 is considered it would show the 1948 appropriation at the most to be only 12 percent below the 1947 appropriation.

There were parts of the Agricultural appropriation that I did not wish to subscribe to. It would have been easy to vote to recommit this bill. What position would these agencies have been in on July 1, 1947? Did you ever think that one out? Did you wish to see the whole agricultural appropriation stymied and be in the mess the Maritime Commission finds itself in today in regard to funds? Wouldn't the bill have gone right back to the same committee?

It may be temporarily good politics to send out false and fake propaganda about soil conservation. After erecting more and more severe trade barriers than any administration in the history of the country, they are at the end of their rope in trying to maintain that they are for reciprocity and a good-neighbor policy. The American sheepmen have found out that the present administration is not interested in their soil-conservation program.

I repeat, as a member of the Legislative Agricultural Committee, I would have changed the set-up of the appropriations in the Agricultural Appropriation Committee, but that is no justification for the fake and false propaganda.

These appropriations must be considered in the light of results accomplished. The Soil Conservation Service is handicapped by a lack of available equipment needed to carry on the projects. Many witnesses before the Legislative Agricultural Committee advocated that the Soil Conservation Service become a part of Extension Work. The Soil Conservation Service with thirty-eight million in 1948 and Extension with but twenty-four million for general extension, home economics work, and boys' and girls' club work does not appear to many to be the correct relationship as to funds. The great percentage of the people are anxious for more and more 4-H Club work. Authorization has already been made for additional funds for boys' and girls' club work. Something over $50,000,000 is in the agricultural appropriation for research. The Appropriation Committee made a new appropriation for marketing research of some $9,000,000. In the light of the above facts it is difficult to see how the Soil Conservation Service can complain when their appropriation was kept nearly intact in comparison to some agencies that were very materially reduced.

The fact that the administration has allowed milk to sell below the floor guaranteed by law would indicate that they do not care to use the funds available to follow out the law even in this respect. Every 10 cents per hundredweight that Wisconsin milk sells below the Steagall lawful support price means a $15,000,000 annual loss on the fifteen billions of milk produced in the State. An announced support price for milk and action in supporting this announced price in keeping with the law is surely a most important influence on the agricultural economy of our State where over half the farm income is from the dairy business.

EXTENSION OF REMARKS

Mr. RICH asked and was given permission to extend his remarks in the RECORD and include an editorial from the Bristol Courier entitled "Truman Versus Truman" showing the difference between the veto of the Case bill and the veto of the labor bill; and in another instance to include an editorial entitled "GOP Promises Are Kept."

Mr. GILLIE asked and was given permission to extend his remarks in the RECORD and include three editorials.

PROVIDING REVENUE FOR DISTRICT OF COLUMBIA

Mr. DIRKSEN. Mr. Speaker, I ask unanimous consent to take from the Speaker's table the bill (H. R. 3737) to provide revenue for the District of Columbia, and for other purposes, with Senate amendments thereto, disagree to the Senate amendments, and agree to the conference asked by the Senate.

The SPEAKER. Is there objection to the request of the gentleman from Illinois? [After a pause.] The Chair hears none and appoints the following conferees: Messrs. DIRKSEN, BATES of Massachusetts, O'HARA, MCMILLAN of South Carolina, and SMITH of Virginia.

BOARD OF EDUCATION, DISTRICT OF COLUMBIA

Mr. DIRKSEN. Mr. Speaker, I ask unanimous consent to take from the Speaker's table the bill (H. R. 3611) to fix and regulate the salaries of teachers, school officers, and other employees of the Board of Education of the District of Columbia, and for other purposes, with Senate amendments thereto, disagree to the Senate amendments, and agree to the conference asked by the Senate.

The SPEAKER. Is there objection to the request of the gentleman from Illinois? [After a pause.] The Chair hears none and appoints the following conferees: Messrs. DIRKSEN, BATES of Massachusetts, O'HARA, MCMILLAN of South Carolina, and SMITH of Virginia.

METROPOLITAN POLICE FORCE

Mr. DIRKSEN. Mr. Speaker, I ask unanimous consent to take from the Speaker's table the bill (H. R. 1997) to provide seniority benefits for certain officers and members of the Metropolitan Police force and of the Fire Department of the District of Columbia who are veterans of World War II and lost opportunity for promotion by reason of their service in the armed forces of the United States, with Senate amendment thereto, and concur in the Senate amendment.

The Clerk read the title of the bill.

The Clerk read the Senate amendment, as follows:

Page 1, strike out all after line 2 over to and including line 8 on page 2 and insert

"That (a) any officer or member of the Metropolitan Police force or of the Fire Department of the District of Columbia, who served in the armed forces of the United States during the period beginning May 1, 1940, and ending December 31, 1946, and (1) whose name appeared during such service (as a result of a regular or reopened competitive examination for promotion) on any civil-service register with respect to such force or department for promotion to a higher rank or grade, or (2) whose name appeared on such a register as a result of a reopened examination taken subsequent to his release, shall, for the purpose of determining his seniority rights and service in such rank or grade, be held to have been promoted to such rank or grade as of the earliest date on which an eligible standing lower on the same promotion register received a promotion either permanently or temporarily to such rank or grade."

The SPEAKER. Is there objection to the request of the gentleman from Illinois?

There was no objection.

The Senate amendment was concurred in.

A motion to reconsider was laid on the table.

EXTENSION OF REMARKS

Mr. CRAVENS asked and was given permission to extend his remarks in the RECORD and include an article from the Fort Smith Times-Record of June 18, 1947, with reference to proposed tax legislation.

Mr. KENNEDY asked and was granted permission to extend his remarks in the RECORD and include a letter from Hon. John Adkinson, city manager of the city of Cambridge, Mass.

Mr. ROGERS of Florida asked and was granted permission to extend his remarks in the RECORD and include a magazine article.

Mr. DEANE asked and was granted permission to extend his remarks in the RECORD and include an article from the Sunday Star.

PERMISSION TO ADDRESS THE HOUSE

Mr. McCORMACK. Mr. Speaker, I ask unanimous consent to address the House for 1 minute and to revise and extend my remarks.

The SPEAKER. Is there objection to the request of the gentleman from Massachusetts [Mr. McCORMACK]?

There was no objection.

Mr. McCORMACK. Mr. Speaker, I was very much surprised to listen to the remarks of the gentleman from Illinois [Mr. ARENDS] trying to create a smoke screen in relation to lobbying. Does my friend fail to distinguish between lobbying and the right of petition? The right of petition is one of the four cornerstones of personal liberty, and under no condition should it ever be undertaken to take it from any person or group of our people. There have been large paid advertisements in the newspapers from the Manufacturers' Association. I consider it their constitutional right of petition. I do not agree with them in their positions, but I do not attack them for doing what they did do. When we do not attack them, I do not think labor should be attacked for doing the same thing.

I notice a watchdog committee is going to be appointed. I never heard of a watchdog committee in the constitutional history of our country. A watchdog on whom? A watchdog on what? It is rather amusing and an amazing situation that after this so-called perfect bill is passed, so far as proponents of the antilabor bill are concerned, the bitter proponents of it then decide to create a watchdog committee. For what purpose? A watchdog over whom? The American people would be interested to see that in the future.

The SPEAKER. The time of the gentleman from Massachusetts has expired.

THE FOREIGN SITUATION

Mr. COURTNEY. Mr. Speaker, I ask unanimous consent to address the House for 1 minute and to revise and extend my remarks.

The SPEAKER. Is there objection to the request of the gentleman from Tennessee?

There was no objection.

Mr. COURTNEY. Mr. Speaker, I hold in my hand an Associated Press item appearing in a Washington paper, which says that a mysterious movement of thousands of food parcels to the United States from the deluded people of the Mediterranean area, themselves hungry, has been in progress for months, with the shipments apparently destined for supposedly starving American relatives and friends. These people, the article continues, must be the victims of an unfriendly ideology whose followers are spreading propaganda on the bad state of affairs in America.

In other words, Moscow, by press, radio and otherwise, is telling the people of the Balkan and Mediterranean countries that our Government has fallen, that we are in a state of chaos and revolution and that our people are starving.

For this and other compelling reasons, as a member of the Committee on Foreign Affairs, I believe that next to the program for aid to Greece and Turkey to check the spread of communism, the bill involving our cultural program, which includes a provision for the continuation of our official radio broadcast the Voice of America, is the most important measure that has come to the floor of the House this session.

I am amazed at the parliamentary routine that the House leadership has adopted, perhaps unintentionally, with respect to this important measure. It is being handled by a subcommittee of the Committee on Foreign Affairs, of which I am not a member and other members of the full committee are not primarily charged with responsibility for the bill. It has been considered by fits and starts on the floor since the time when the memory of man runneth not to the contrary, it might be said with little exaggeration. It will be set down for consideration on a day and proceedings will begin. Several times, with debate well under way, I have been called to my office for a few moments and on my return to the floor, to my amazement, I find that our subcommittee has been forced to fold its tents, so to speak, and slip silently away, and some other committee is on the floor, pressing some bill of comparatively minor significance.

On other days, coming to the floor to attend proceedings on bills set down on the calendar for the day, I find that the cultural program bill has been slipped in for another hour's consideration between, perhaps, a District bill and a minor appropriation bill. Finally, on Friday last, when we had the last attempt at consideration, certain Members of the body resorted to a filibuster insisting on one quorum call after another for the purpose of delay.

When we adjourned on Friday last, it was with the understanding, I thought, that the bill would be taken up again today, but I see no mention of it on the whip notice.

By taking small bites every 4 or 5 days, we have swallowed this cow all but the tail. I do hope that this most important measure will be called up today and disposed of finally.

The SPEAKER. The time of the gentleman from Tennessee has expired.

EXTENSION OF REMARKS

Mr. ROSS asked and was given permission to extend his remarks in the Appendix of the RECORD and include a speech by the gentleman from New York [Mr. KEATING].

Mr. BANTA asked and was given permission to extend his remarks in the RECORD and include a letter from the superintendent of schools.

Mr. GAVIN asked and was given permission to extend his remarks in the Appendix of the RECORD and include a speech by Arthur Bevin, Chief of the Flood Control Service.

Mr. SMITH of Wisconsin asked and was given permission to extend his remarks in the Appendix of the RECORD and include extraneous matter.

THE LABOR BILL VETO

Mr. GROSS. Mr. Speaker, I ask unanimous consent to address the House for 1 minute and ask unanimous consent to revise and extend my remarks.

The SPEAKER. Is there objection to the request of the gentleman from Pennsylvania?

There was no objection.

Mr. GROSS. Mr. Speaker, the long and belabored explanation of the President telling why he vetoed the labor bill just simply is not worth reading. It is especially laughable when we think of the speech he made at Princeton University the other day when a doctor's degree was conferred upon him and he made the statement that he had not read the bill; then 2 days later he presented this Congress with a 5,500-word reason why he could not approve it. In effect, it was saying: "I need votes."

His veto message contained more inconsistencies, more contradictions, and more erroneous and misleading statements than anything I have ever heard.

ADDITIONAL COPIES OF HOUSE REPORT 209

Mr. LECOMPTE. Mr. Speaker, by direction of the Committee on House Administration, I call up House Concurrent Resolution 40, authorizing the Committee on Un-American Activities to have printed for its use additional copies of

House Report 209, Eightieth Congress, first session, and ask for its immediate consideration.

The Clerk read the resolution, as follows:

Resolved by the House of Representatives (the Senate concurring). That in accordance with paragraph 3 of section 2 of the Printing Act, approved March 1, 1907, as amended, the Committee on Un-American Activities, House of Representatives, be, and is hereby authorized and empowered to have printed for its use 25,000 additional copies of House Report 209, Eightieth Congress, first session, entitled "The Communist Party of the United States as an Agent of a Foreign Power."

The resolution was agreed to.

A motion to reconsider was laid on the table.

ADDITIONAL COPIES OF HEARINGS BY COMMITTEE ON UN-AMERICAN ACTIVITIES

Mr. LECOMPTE. Mr. Speaker, by direction of the Committee on House Administration I call up House Concurrent Resolution 39, authorizing the Committee on Un-American Activities to have printed for its use additional copies of the hearing held on February 6, 1947, and ask for its immediate consideration.

The Clerk read the resolution, as follows:

Resolved by the House of Representatives (the Senate concurring), That in accordance with paragraph 3 of section 2 of the Printing Act, approved March 1, 1907, as amended, the Committee on Un-American Activities, House of Representatives, be, and is hereby, authorized and empowered to have printed for its use 3,000 additional copies of the hearing held before said committee on February 6, 1947, pursuant to Public Law 601, Seventy-ninth Congress.

With the following committee amendment:

Page 1, line 6, strike out "3" and insert "2."

The committee amendment was agreed to.

The resolution was agreed to.

A motion to reconsider was laid on the table.

ADDITIONAL COPIES OF WAYS AND MEANS COMMITTEE HEARINGS ON RECIPROCAL TRADE AGREEMENTS

Mr. LECOMPTE. Mr. Speaker, by direction of the Committee on House Administration, I call up House Resolution 186, authorizing the Committee on Ways and Means of the House of Representatives to have printed for its use additional copies of the hearings held before said committee during the current session relative to reciprocal trade agreements, and ask for its immediate consideration.

The Clerk read the resolution, as follows:

Resolved, That, in accordance with paragraph 3 of section 2 of the Printing Act, approved March 1, 1907, the Committee on Ways and Means of the House of Representatives be, and is hereby, authorized and empowered to have printed for its use 1,000 additional copies of the hearings held before said committee during the current session relative to reciprocal trade agreements.

The resolution was agreed to.

A motion to reconsider was laid on the table.

GRAHAM HISTORY OF JUDICIARY COMMITTEE MADE A HOUSE DOCUMENT

Mr. LECOMPTE. Mr. Speaker, by direction of the Committee on House Administration, I call up House Resolution 241, providing for the printing, as a House document, the History of the Committee on the Judiciary, and ask for its immediate consideration.

The Clerk read the resolution, as follows:

Resolved, That the "History of the Committee on the Judiciary," prepared by the Honorable LOUIS E. GRAHAM, be printed as a House document.

The resolution was agreed to.

A motion to reconsider was laid on the table.

ADDITIONAL COPIES OF CERTAIN HOUSE REPORTS

Mr. LECOMPTE. Mr. Speaker, by direction of the Committee on House Administration, I call up House Concurrent Resolution 35, providing for the printing of additional copies of House Report No. 541, Seventy-ninth Congress; House Report No. 1205, Seventy-ninth Congress; and House Report No. 2729, Seventy-ninth Congress, and ask for its immediate consideration.

The Clerk read the resolution, as follows:

Resolved by the House of Representatives (the Senate concurring), That there shall be printed 1,500 additional copies of House Report No. 541, Seventy-ninth Congress, entitled "The Postwar Foreign Economic Policy of the United States," of which 500 copies shall be for the use of the Senate and 1,000 copies shall be for the use of the House; 1,500 additional copies of House Report No. 1205, Seventy-ninth Congress, entitled "Economic Reconstruction in Europe," of which 500 copies shall be for the use of the Senate and 1,000 copies shall be for the use of the House; and 5,000 additional copies of House Report No. 2729, Seventy-ninth Congress, entitled "Final Report Reconversion Experience and Current Economic Problems," of which 500 copies shall be for the use of the Senate and 4,500 copies shall be for the use of the House.

The resolution was agreed to.

A motion to reconsider was laid on the table.

ERECTION IN THE DISTRICT OF COLUMBIA OF A MEMORIAL TO THE MARINE CORPS DEAD

Mr. BISHOP. Mr. Speaker, I call up Senate Joint Resolution 113, authorizing the erection in the District of Columbia of a memorial to the Marine Corps dead of all wars, and ask for its immediate consideration.

The Clerk read the resolution, as follows:

Resolved, etc., That the Secretary of the Interior is authorized and directed to grant authority to the Marine Corps League, Inc., to erect a memorial on public grounds in the District of Columbia in honor and in commemoration of the men of the United States Marine Corps who have given their lives to their country.

SEC. 2. The design and the site of such memorial shall be approved by the National Commission of Fine Arts, and the United States shall be put to no expense in or by the erection thereof.

SEC. 3. The authority conferred pursuant to this joint resolution shall lapse unless (1) the erection of such memorial is commenced within 5 years from the date of passage of this joint resolution, and (2) prior to its commencement funds are certified available in an amount sufficient, in the judgment of the Secretary of the Interior, to insure completion of the memorial.

The resolution was agreed to.

A motion to reconsider was laid on the table.

EXTENSION OF REMARKS

Mr. LECOMPTE asked and was given permission to extend his remarks in the Appendix of the RECORD and include a resolution of the City Council of the City of Ottumwa, Iowa.

Mr. TABER asked and was given permission to extend his remarks in the RECORD and include a letter from the Chairman of the Maritime Commission to Mr. TABER, dated June 9, Mr. TABER's reply thereto dated June 17, and a letter dated June 20, 1947, from the Comptroller General to Mr. TABER.

THE MARITIME COMMISSION

Mr. TABER. Mr. Speaker, I ask unanimous consent to address the House for 1 minute.

The SPEAKER. Is there objection to the request of the gentleman from New York?

There was no objection.

Mr. TABER. Mr. Speaker, I have been accused of many things this year by the bureaucrats who object to every effort to bring about business management in Government, but an all-time high was reached last Friday when the Chairman of the Maritime Commission accused the Comptroller General and me jointly of being responsible for closing up the offices of the Commission because we refused to enter into a conspiracy to violate the law. Lindsay Warren's and my shoulders are broad enough to stand up under such a charge.

The truth of the matter is that the Maritime Commission knew on July 1, 1946, just how much money they had to spend for administrative expenses this year. They did not keep books on it or they would have known then just how to adjust their personnel to stay within the limitation. They knew on the 15th of April this year that they had made such a mess of their bookkeeping and budgeting that they were in the red to the tune of $331,552 and had to do something to get in the clear. Instead of taking action which would have enable them to live within their budget, they attempted to persuade the Comptroller to permit them to violate the law in their accounts and wanted me to agree to it. Lindsay Warren and I have been around just a little too long to fall for that kind of business. This performance is typical of the way the Commission has run its business for a number of years as described in the report on the independent offices appropriation bill last week. Their string has played out; the Commission has had to close up and they say I am to blame.

They did not have the grace to come before the Appropriations Committee with a budget estimate in the usual way.

I have today inserted in the CONGRESSIONAL RECORD the correspondence which sets forth all the facts.

EXTENDING RECONSTRUCTION FINANCE CORPORATION

Mr. ALLEN of Illinois from the Committee on Rules, reported the following privileged resolution (H. Res. 252, Rept. No. 639), which was referred to the House Calendar and ordered to be printed:

Resolved, That immediately upon the adoption of this resolution it shall be in order to move that the House resolve itself into the Committee of the Whole House on the State of the Union for the consideration of the bill (H. R. 3916) to amend the Reconstruction Finance Corporation Act, as amended, and to extend the succession and certain lending powers and functions of the Reconstruction Finance Corporation, and for other purposes, and all points of order against said bill are hereby waived. That after general debate, which shall be confined to the bill and continue not to exceed 2 hours, to be equally divided and controlled by the chairman and ranking minority member of the Committee on Banking and Currency, the bill shall be read for amendment under the 5-minute rule. At the conclusion of the consideration of the bill for amendment, the committee shall rise and report the bill to the House with such amendments as may have been adopted and the previous question shall be considered as ordered on the bill and amendments thereto to final passage without intervening motion except one motion to recommit.

THE LEGISLATURE OF PENNSYLVANIA KILLS COMMUNISTIC FEPC

Mr. RANKIN. Mr. Speaker, I ask unanimous consent to address the House for 1 minute and to revise and extend my remarks in the RECORD.

The SPEAKER. Is there objection to the request of the gentleman from Mississippi?

There was no objection.

Mr. RANKIN. Mr. Speaker, while we are talking of sending the Voice of America to Moscow, I come this morning to call your attention to the "voice of Moscow" as it is sent to America through the Communist Daily Worker, which this morning attacks the Legislature of the State of Pennsylvania for its refusal to pass the crazy FEPC Act.

You will remember that they put that crazy measure on the ballot in California last fall and the people voted on it. It lost by a clear majority in every single county in California. They have tried to ram it through the legislatures of various other States and failed.

The committee on labor of the Legislature of Pennsylvania turned it down 17 to 8, then they tried to have the committee discharged. The legislature sustained the committee by an overwhelming majority.

They absolutely failed to bunko the people of Pennsylvania, or at least the legislature of that great State, into passing one of the most vicious pieces of Communist legislation ever proposed.

Remember this FEPC proposal is the chief plank in the Communist platform.

Mr. RICH. Mr. Speaker, will the gentleman yield?

Mr. RANKIN. I yield to the gentleman from Pennsylvania.

Mr. RICH. I am glad the gentleman recognizes the fact that in Pennsylvania we have a good, sound, sensible Republican administration.

Mr. RANKIN. Let me say to the gentleman from Pennsylvania that Republicans can get right when they try. I hope other intelligent Republicans throughout the country join with the intelligent Democrats in defeating this communistic measure every time it comes up.

The SPEAKER. The time of the gentleman from Mississippi has expired.

RUSSIAN OIL SHIPMENTS

Mr. SHAFER. Mr. Speaker, I ask unanimous consent to address the House for 1 minute and to revise and extend my remarks.

The SPEAKER. Is there objection to the request of the gentleman from Michigan?

There was no objection.

Mr. SHAFER. Mr. Speaker, I had hoped to be able today to report to the Congress that action had been taken by the Office of International Trade to curtail the present record shipments of oil and other petroleum products from west coast ports to Russia. I regret I cannot make such a report, although I have been informed that studies are now being made relative to this disturbing situation and that some type of action will be taken soon.

For fear that the lethargy displayed by the Office of International Trade may have disastrous results to America, I call upon President Truman to take immediate action, under the powers that he possesses, to stop these shipments immediately. If the President or the Office of International Trade fail to act on this vital matter before tomorrow noon, I propose to introduce a concurrent resolution and ask for its immediate consideration.

When I addressed the House last Friday I stated that, as chairman of an armed services subcommittee responsible for stockpiling of strategic materials, I would conduct hearings to ascertain why oil was being permitted to leave this country in the face of the obvious shortage which confronts us.

Saturday morning representatives of the Office of International Trade of the Department of Commerce, which administers our Export Control Act, appeared before my subcommittee and testified extensively as to the oil shortage and the shipments I have referred to. It was then that the committee was advised that the matter was under study and that action would probably be taken soon. It was my hope that action would be taken over the week-end. This morning I was again informed that the matter is still under study.

Mr. Speaker, I have knowledge that distributors of gasoline and oil in the State of Michigan have been advised by their suppliers that deliveries of gasoline and oil would be greatly curtailed during the months of July and August. We know that because of the shortage of gasoline the Army aviation training program has to be curtailed, as has the movement of our naval vessels. The situation is becoming so acute that there is a possibility of gasoline rationing and of a lack of fuel oil to heat homes in the Middle West next winter.

I am not at all satisfied, Mr. Speaker, with the replies given to me by representatives of the Office of International Trade and their promise that action will be taken soon. This is a matter that demands immediate attention. The people of the Nation are greatly disturbed. They want to know why we are permitting oil to be shipped in large quantities to a nation that is refusing to cooperate with us and which, we know, is now holding naval maneuvers in the Pacific Ocean and the Bering Sea. The people do not want this Government to repeat the stupid mistake that was made prior to Pearl Harbor when we shipped oil and scrap metal to Japan.

Mr. Speaker, I refuse to permit American oil to be shipped to Russia or any other country when this Nation faces a shortage of that same product. I recognize the political implications involved in what I am demanding this country to do. I recognize the technical difficulties that always arise when controls are placed on a product such as petroleum. I recognize that there are various gasolines with various octanes and I am fully aware of the fact that the by-products of petroleum must also be considered. However, for once in our lives, let this country lock the door before the horse is stolen.

EXTENSION OF REMARKS

Mr. BOGGS of Louisiana asked and was given permission to extend his remarks in the Record and include editorial comment.

OIL EXPLORATION

Mr. MILLER of Nebraska. Mr. Speaker, I ask unanimous consent to address the House for 1 minute and to revise and extend my remarks.

The SPEAKER. Is there objection to the request of the gentleman from Nebraska?

There was no objection.

Mr. MILLER of Nebraska. Mr. Speaker, while I share in the apprehension of the gentleman from Michigan [Mr. SHAFER] about the oil reserves in this country, I, too, believe that we should carefully review the shipments of oil now going to Russia. If they are as reported they should be stopped or greatly restricted. I call the attention of the House to the fact that this morning the Committee on Public Lands reported out a resolution which furthers the obtaining of oil from shale as well as from agricultural products in this country. It was brought out in the hearing that there is enough oil in the shale of the United States to last us some 2,000 years at the present rate of using oil. So, I hope when this resolution comes before the House the Members will join in its passage in order to assist in the experimental work not only on shale and agricultural products, but other sources from which we may obtain oil.

Mr. RICH. Mr. Speaker, will the gentleman yield?

Mr. MILLER of Nebraska. I yield to the gentleman from Pennsylvania.

Mr. RICH. Does the gentleman not think that we ought to stop the exportation of gasoline to Russia right away?

Mr. MILLER of Nebraska. It ought to be carefully reviewed by the proper committee. I am interested, however, that shale and agriculture products be utilized. We have from time to time surplus agriculture products. If these are used to produce alcohol it can be blended with gasoline and thus solve our problem of surpluses on the farm.

The SPEAKER. The time of the gentleman from Nebraska has expired.

MARITIME EMPLOYMENT—MESSAGE FROM THE PRESIDENT OF THE UNITED STATES (H. DOC. NO. 342)

The SPEAKER laid before the House the following message from the President of the United States, which was read, and, together with the accompanying papers, referred to the Committee on Foreign Affairs and ordered to be printed:

To the House of Representatives of the United States:

In accordance with the obligations of the Government of the United States of America as a member of the International Labor Organization, I transmit herewith the authentic texts of nine conventions and four recommendations with respect to maritime employment which were adopted at the Twenty-eighth (Maritime) Session of the International Labor Conference at Seattle, Wash., June 6 to 29, 1946.

The constitution of the International Labor Organization provides in article 19 thereof that each member is obligated within a year after the closing of a session of the conference to bring each convention or recommendation adopted at such session before the authority or authorities within whose competence the matter lies, for the enactment of legislation or other action. In the case of a convention, the member is obligated, upon obtaining the consent of the authority or authorities within whose competence the matter lies, to report the formal ratification and to take the necessary action to bring the provisions of such convention into effect. The member is obligated, in the case of a recommendation, to report the action taken. It is required under article 35 of the constitution of the International Labor Organization that, subject to certain exceptions, members will apply conventions which they have ratified to their colonies, protectorates, and possessions which are not self-governing. In the case of a federal government, the power of which to enter into conventions on labor matters is subject to limitations, article 19 provides also that a convention to which such limitations apply may be treated as a recommendation.

It is indicated by established practice that submission to the legislative body is essential to the full observance of the obligations of membership. Under the present constitution of the Organization, no further action is required "if on a recommendation no legislative or other action is taken to make a recommendation effective, or if the draft convention fails to obtain the consent of the authority or authorities within whose competence the matter lies."

Accordingly I am also transmitting the authentic texts of the conventions and recommendations adopted at the twenty-eighth session of the International Labor Conference to the Senate of the United States of America with a view to receiving the advice and consent of that body to ratification of certain of those conventions and to obtaining legislative action by that body concurrently with the House of Representatives to give effect to certain of those conventions and recommendations.

I ask that you consider legislative implementation of certain of those conventions and recommendations in the light of the comments contained in the report of the Secretary of State and the communications of the Secretary of Labor, the Acting Secretary of the Treasury, the Attorney General, the Secretary of Commerce, the Chairman of the United States Maritime Commission, the Federal Security Administrator, and the Assistant Secretary of Agriculture, copies of which are attached.

(Enclosures: (1) Authentic text of conventions and recommendations; (2) report of Secretary of State; (3) message to the Senate; (4) from Secretary of Labor; (5) from Acting Secretary of the Treasury; (6) from the Attorney General; (7) from Secretary of Commerce; (8) from Chairman of the United States Maritime Commission; (9) from the Federal Security Administrator; (10) from Assistant Secretary of Agriculture; (11) memorandum from Shipping Division, Department of State.)

HARRY S. TRUMAN.

THE WHITE HOUSE, *June 23, 1947.*

CARRY-OVERS TO REORGANIZED RAILROADS

Mr. JENKINS of Ohio. Mr. Speaker, by direction of the Committee on Ways and Means, I ask unanimous consent for the immediate consideration of the bill (H. R. 3861) to allow to a successor railroad corporation the benefits of certain carry-overs of a predecessor corporation for the purposes of certain provisions of the Internal Revenue Code.

The Clerk read the title of the bill.

The SPEAKER. Is there objection to the request of the gentleman from Ohio?

Mr. FORAND. Mr. Speaker, I reserve the right to object because I consider this to be a very important bill—in fact, much too important to be considered by unanimous consent—and to give the gentleman from Ohio an opportunity to explain the bill.

Mr. JENKINS of Ohio. Mr. Speaker, I shall be glad to do so and do the best I can by way of an explanation of this bill. Its purpose is to equalize the taxation of reorganized railroads by removing an existing discrimination against certain railroads. This discrimination arises out of the fact that under the laws of some States railroads emerging from bankruptcy or receivership are not able to use their old charters in effecting their reorganization. This causes them to be treated for Federal tax purposes as a different taxpayer from the old company and results in their being denied the benefit of the carry-over provisions. A bill similar to this one passed the House 2 years ago and went to the Senate. It was included as a rider to the tax-adjustment bill of 1945. The Senate eliminated the provision without prejudice on the ground that it was not germane to that bill and also in order that certain questions might be cleared up in public hearings. The Committee on Ways and Means had rather complete hearings on the matter this year and came to an agreement.

Here is what the bill involves——

Mr. FORAND. Did the gentleman say that the committee had complete hearings?

Mr. JENKINS of Ohio. I thought we had.

Mr. FORAND. I think they were very brief hearings, and they were in executive session, if the gentleman will recall.

Mr. JENKINS of Ohio. The hearings have been published and are available to the House. I believe the gentleman would agree with me that practically everybody who could have been interested in this matter was present. The Treasury was there, and our experts employed by the Committee on Ways and Means were there. The committee was in executive session, and we had a rather full membership present. Nothing would have been accomplished—nothing much, at least, could have been accomplished by any further hearings. Does not the gentleman think so?

Mr. FORAND. The fact still remains that at the first executive session following the hearings certain parts of the bill were ordered to be rewritten.

Mr. JENKINS of Ohio. Yes.

Mr. FORAND. Those parts were rewritten and last week—I believe it was last Wednesday or Thursday—in executive session the committee decided to report out this bill. When I asked for information the gentleman will recall that nobody could actually explain the bill. The author could not explain the bill and the gentlemen from the legislative counsel could not explain it without the help of the Treasury.

Frankly I feel this way about it—when I smell smoke I look for fire.

The railroad lobby has been extremely busy during this session, and within the last 3 or 4 days this is the third relief bill for railroads that has come to us. Were it not for the fact that I realize that the majority could very well bring this bill up under suspension of the rules or in pursuance of a rule from the Committee on Rules and pass the bill over my objection, I definitely would fight to the end on it.

If I understand the bill properly, and I hope I do, it means that railroad corporations coming out of receivership and reorganizing under a new charter will definitely have the same tax benefit that the predecessor corporation would have. Is that correct?

Mr. JENKINS of Ohio. Yes. If the gentleman will permit me to explain it, I think the gentleman would agree with me. I want to compliment the gentleman on his assiduity in insisting on this matter being brought out clearly. I think it has been done. If there is any disagreement between the gentleman and myself, it is only on the question of

whether or not we have had enough explanation. I think we have, and I think the other members of the committee thought we had. The Treasury had a representative there. He was a very capable man, and as the gentleman knows, he is one of the most capable in the country. He said that the Treasury had had some objection at one time, but new language had been put in the bill and the representative of the Treasury himself helped write the new language. I think in all fairness the matter now is just about as good as it can be made. As far as any railroad lobby is concerned, I know nothing of that. I do not represent any of the railroads and none of the railroads interested in this legislation are in my district. So I have no interest whatever in it. I am sure the gentleman has no personal interest in it either. All these reorganized railroads must clear through the courts. Many are in court now. They must pass the scrutiny of the judge and of the examiners. They must pass the scrutiny of the Interstate Commerce Commission. All railroad reorganizations must be and have been approved by both of these agencies.

Mr. FORAND. Will the gentleman deny that under the reorganization of these railroads the liabilities are all wiped away and the stock is purchased at a very small number of cents on the dollar?

Mr. JENKINS of Ohio. No. When the railroads go into receivership in these cases, the bondholders become the owners of the property. The equity of the stockholders is generally wiped out. This bill will apply to a number of small railroads. I think all of them are small railroads that have gone into receivership. Some may be a little larger, of course, than others. They were forced into receivership during the depression. Most of them have been in receivership ever since. There were 33 of them. One was liquidated and that made 32. Out of the 32 there were 18 that have terminated the receivership or bankruptcy. Eight of them came out with their old charter. The other 10 have come out also, but these 10 came out under a cloud as compared with the 8. The eight came out with their old charter. The 10 did not because in those States they could not come out with their old charter because the State law would not permit them to do so. They should have the same tax consideration as the others since there is no difference between a railroad reorganization under the old charter and a reorganization under a new charter. It is simply that in the latter case the new company technically becomes a different corporate entity. If you do not pass this legislation, 10 railroads will be at a disadvantage over the rest. I am sure the gentleman does not want that.

Mr. FORAND. But after all, two wrongs do not make a right. It is my contention that when a railroad comes out of receivership they should not have any tax relief that would have accrued to the predecessor corporation.

Mr. JENKINS of Ohio. Well, here were eight railroads that came out under their own charter which got this tax relief. Ten came out but they were forced to take another charter. They are not a different company. It is the same management, the same roadbed and equipment, and the same employees. The Treasury figures this way, and I think properly: It is better to have these 10 railroads running on their own feet, so to speak, than to have them in receivership and under the cloud of a court.

Mr. FORAND. The gentleman will admit that many of these railroads could have come out of receivership but they preferred to remain in that status.

Mr. JENKINS of Ohio. Well, I do not know. I have heard that stated. Of course by staying in bankruptcy or receivership these roads do not run the risk of losing the carry-over benefits as they do by coming out. This bill corrects that situation.

Mr. FORAND. It was so testified at our hearings.

Mr. JENKINS of Ohio. But that is not at issue here, because the Treasury would know about that. The Treasury has not raised that question. I am fairly convinced, from the hearings and from all I know about it and from the way these experts handled it, that it would be for the best interests of the country if these railroads could be brought out. None of them are very strong. They want to get out and walk on their own feet. I think the Treasury is doing them a favor by giving them that consideration. The Treasury does not give them a dollar. All it gives them is permission to carry forward the same as the other railroads. The gentleman surely would not be in favor of having these railroads come out crippled and with an additional burden put on them over and above that which is put on other railroads.

Mr. FORAND. I do not want any additional burden put on them, but I do not want to give them any extra benefits. In fact, as I see this, it is an extra benefit for a new corporation. Most of the stockholders are new stockholders. They do not assume the responsibility of the predecessor railroad and yet they want the tax benefit that would have accrued to the predecessor railroad.

Mr. JENKINS of Ohio. My experience has taught me this: There are many people who think that when a railroad goes through receivership that somebody profits a lot. Of course, many a little stockholder will lose his hundred dollars, but many a large stockholder will lose a hundred thousand dollars. But when they come out they come out under the sanction of the court. There are not enough assets to pay off the stockholders and the bondholders, and the bondholders have first priority. Their rights are established by the bankruptcy or receivership proceedings and by thus perfecting their equitable title they in effect become the legal owners. The Treasury recognizes this. The judge and his assistants and his commissioners have taken the testimony. The Interstate Commerce Commission must first approve it. When these railroads come out they ought to be permitted to come out with the same rights and the same privileges as any other railroad. They ought not be loaded down. I sympathize with the gentleman in his procedure. I think the gentleman is to be complimented, but I do not think he need have any fears in this case.

Mr. FORAND. Is there any date within which these corporations who are now seeking this relief must avail themselves of this law?

Mr. JENKINS of Ohio. Yes, at the end of this year. The relief under this law will terminate January 1, 1948.

Mr. FORAND. And after that they are all out?

Mr. JENKINS of Ohio. Yes; they are all out.

Mr. FORAND. Those who do not take advantage of it?

Mr. JENKINS of Ohio. That is right. They are out.

Mr. DOUGHTON. Mr. Speaker, will the gentleman yield?

Mr. FORAND. I yield.

Mr. DOUGHTON. This is purely a tax matter, is it not?

Mr. JENKINS of Ohio. Absolutely.

Mr. DOUGHTON. The Treasury had an expert there, who is always alert as to tax matters. This matter was fully discussed. If he could have found any objection or any criticism from the standpoint of the Treasury, I am satisfied he would have found it. I became satisfied there was nothing unfair about it as far as the tax matter is concerned. I do agree with the gentleman from Rhode Island [Mr. FORAND], and he is to be complimented on his position, but after this is cleared through our committee, and cleared through the Treasury Department, which is always alert as to tax matters, I feel there is no reasonable ground for objection to this bill.

Mr. FORAND. I still feel that the railroad lobby has been extremely busy to the point where this is their third bill within 3 days to come before the Congress. It seems to me we should be on the alert.

Mr. DINGELL. Mr. Speaker, will the gentleman yield?

Mr. FORAND. I yield.

Mr. DINGELL. I wish someone to give me assurance that there is no possibility that this legislation may be used as a device to escape the payment of legitimate taxes.

Mr. JENKINS of Ohio. I think we may rely upon the Treasury Department as to that. The Treasury insisted in drafting this bill in its present form. This additional burden has been placed on the railroads by reason of an old Supreme Court decision. The decision was not in a railroad-company case, it was on an entirely different kind of operation, but it was to the effect that where a company reorganized under a different charter, and changed its name they were held to be a new company.

As a lawyer I am glad to think that whenever these railroad companies or any other companies go through the process of bankruptcy, receivership, they cannot come out unless they have the sanction of the judicial courts and of the Interstate Commerce Commission, which is a quasi-judicial tribunal. This bill does not affect any other company or corporation of any kind in any way at any time.

Mr. DINGELL. The gentleman offers me the assurance and to the House also, that it is not possible to use this as a device to get away from paying legiti-

mate taxes—through the device of reorganization.

Mr. JENKINS of Ohio. Most emphatically not; I may say to the gentleman that should such a thing develop I would join with him in amending the law.

In order that the Members may be as fully informed as possible about the provisions and purpose of this bill, I extend the report of the Committee on Ways and Means, which studied the bill:

CARRY-OVERS TO REORGANIZED RAILROADS

Mr. JENKINS, from the Committee on Ways and Means, submitted the following report:

The Committee on Ways and Means, to whom was referred the bill (H. R. 3861) to allow a successor railroad corporation the benefits of certain carry-overs of a predecessor corporation for the purposes of certain provisions of the Internal Revenue Code, having had the same under consideration, report it back to the House without amendment and recommend that the bill do pass.

GENERAL STATEMENT

Under existing law, if a railroad corporation is reorganized in a receivership proceeding or in a proceeding under section 77 of the National Bankruptcy Act, as amended, and the reorganization is effected through the organization of a new corporation, any carry-overs of net operating losses or unused excess profits credits of the old corporation cannot be used by the new corporation. The reorganized corporation is regarded as a different taxpayer from the old corporation. Consequently, railroads coming out of receivership or bankruptcy proceedings are treated differently, depending upon whether they can be reorganized under the same charter or under a new charter. The bill removes this discrimination by allowing to railroad corporations, which have acquired, prior to January 1, 1948, property of other railroad corporations in receivership proceedings or proceedings under section 77 of the Bankruptcy Act, the net-operating-loss carry-over and the unused excess-profits-credit carry-over of the railroad corporations from which such property was acquired in such proceedings. The bill applies only where the property for tax purposes has the same basis in the hands of the new corporation as it had in the hands of the old corporation, and the relief is limited to railroad corporations as defined in section 77m of the National Bankruptcy Act.

The relief is retroactively applied to extend the benefits to railroads which have already completed their reorganization. A safeguard is written in the bill which is intended to prevent the railroad reorganized in the receivership or bankruptcy proceedings under a new charter, from getting any greater tax relief than it would have been entitled to, if it had reorganized under its old charter.

It is necessary to give the Commissioner of Internal Revenue, with the approval of the Secretary of the Treasury, authority to prescribe regulations to determine the manner and the extent in which such carry-overs will be applied. It is intended that the regulations will not be arbitrary but fair and reasonable in their application.

Hearings were held by your committee on May 26, 1947, at which time representatives of the railroads and the Treasury Department were heard.

According to testimony given your committee at the hearings, 33 class I railroads have been involved in bankruptcy or receivership proceedings since the last depression. Of these roads, 18 have been reorganized and 1 has been liquidated. Fourteen are still in the process of reorganization. Of the 18 railroads whose reorganization has been completed, 8 were able to resume operations under their old charters and hence have no problem regarding the use of the carry-over and carry-back provisions. This is also the case as regards the 14 roads still in bankruptcy or receivership. Of the 10 reorganized railroads which were compelled to use new charters in effectuating their reorganization, only 7 have any direct financial interest in this legislation. These are: Akron, Canton & Youngstown Railroad Co., Chicago & Eastern Illinois Railroad Co., Gulf, Mobile & Ohio Railroad Co., Minnesota & St. Louis Railway Co., Minneapolis, St. Paul & Saulte Ste. Marie Railroad Co., Spokane International Railroad, and Wabash Railroad Co. The total amount of potential tax liability involved is $7,500,000, which represents the additional taxes which these seven railroads otherwise will have to pay merely on account of being compelled under State law to use a new charter on reorganization. The major part of this amount, however, has not been paid into the Treasury and therefore will not necessitate a tax refund. So far as the foregoing seven railroads are concerned, only carry-overs are involved.

The Treasury has no objection to this legislation and your committee is of the opinion that it should be promptly enacted into law. It is believed that the enactment of this legislation will tend to remove one of the impediments holding railroads in receivership.

DETAILED DISCUSSION OF THE TECHNICAL PROVISIONS OF THE BILL

The bill applies to railroad corporations (as defined in sec. 77m of the National Bankruptcy Act, as amended) which have acquired, prior to January 1, 1948, property of other such railroad corporations in a receivership proceeding or in a proceeding under section 77 of the National Bankruptcy Act, as amended, where the basis of the property so acquired is determined under section 113 (a) (20) of the Internal Revenue Code. The corporation which has thus acquired property is referred to as the successor corporation and the corporation from which the property was so acquired is referred to as the predecessor corporation.

In the case of a successor corporation, section 1 provides for the treatment of the net operating losses and unused excess profits credits of the predecessor corporation as carry-overs to the successor corporation for the purposes of the determination under the Internal Revenue Code of the "net operating loss carry-over" from any taxable year beginning after December 31, 1938, and the "excess profits credit carry-over" and the "unusued excess profits credit carry-over" from any taxable year beginning after December 31, 1939, in each case under the law applicable to such taxable year. Thus, the method of computation of the carry-overs as well as the years for which such carry-overs are available (except as provided in subsections (b) and (c) of sec. 1) and the computation of the net operating loss deduction and the unused excess profits credit adjustment (called the excess profits credit carry-over for taxable years beginning in 1940) are governed by the provisions of the applicable law under the Internal Revenue Code.

In general, the successor corporation will not be allowed a carry-over to a taxable year, or a carry-over from a taxable year, which would not be allowed to the predecessor corporation under the Internal Revenue Code if the predecessor corporation had been made use of under the receivership proceedings or the proceedings under section 77 of the Bankruptcy Act instead of the successor corporation. Thus, except as provided in subsections (b) and (c) of section 1, carry-overs will be allowed, as provided under the code, only to the two immediately succeeding taxable years, and carry-overs will not be created from any year if the otherwise applicable provisions of the Internal Revenue Code provide no carry-over from such year. The provisions of subsection (a) of section 1 to the effect that there shall be carried over to the successor corporation the net operating losses and unused excess profits credits of the predecessor corporation from the second taxable year preceding its taxable year in which the acquisition occurred is applicable as to such second preceding year only if subsection (c) of section 1 is applicable.

The carry-overs provided for under subsection (a) of section 1 are to be allowed only in the manner and to the extent provided in regulations prescribed by the Commissioner of Internal Revenue, with the approval of the Secretary of the Treasury, as necessary to apply such net operating losses and unused excess profits credits as carry-overs so far as possible as if the predecessor corporation had been made use of in such proceedings instead of the successor corporation. Because of the probable variation in the circumstances presented in each case, it is believed that the rules for the determination of the carry-overs to the successor corporation may best be promulgated in regulations of the Commissioner, giving reasonable and proper effect to the general policy set forth in the bill.

It is not contemplated that where the predecessor corporation has continued in existence after the acquisition that such carry-overs will be denied to the predecessor; rather it is contemplated that in such a case carry-overs shall be available to the successor only to the extent not used by the predecessor, as determined in the regulations with respect to such carry-overs. In any case, the net operating losses and unused excess-profits credits of the predecessor corporation shall not be carry-overs to any taxable year of the successor corporation prior to the taxable year of the successor corporation in which the acquisition occurred.

Subsection (b) of section 1 provides a rule applicable to every case where the taxable year of the successor corporation in which the acquisition occurred and the taxable year of the predecessor corporation in which the acquisition occurred overlap in whole or in part. This rule is designed to clarify the application of subsections (a) and (c) of section 1 in determining the immediately succeeding taxable years to which there may be a carry-over. Under the rule the taxable year of the successor in which the acquisition occurred is the first taxable year succeeding the taxable year of the predecessor in which the acquisition occurred, and subsequent taxable years of the successor follow in order. Any such succeeding taxable year may, of course, also be an "intervening" taxable year for the purposes of the application of sections 122 and 710 (c) of the code.

Subsection (c) of section 1 prescribes a rule for the application of section 1 to cases in which the period, beginning on the first day of the taxable year of the predecessor corporation in which the acquisition occurred and ending on the last day of the taxable year of the successor corporation in which the acquisition occurred, is not more than 12 months. In such a case, subsection (c) of section 1 provides that the number of taxable years to which such net operating loss or unused excess profits credit is a carry-over shall be three instead of two. This rule is directed to situations in which, in effect, the period in which fall the taxable years (of predecessor and of successor) in which the acquisition occurred would have been but one taxable year of the predecessor corporation if the predecessor corporation had been made use of in the proceeding instead of the successor corporation. In such a case, under existing law, the taxable year of the predecessor in which the acquisition occurred and the taxable year of the successor in which the acquisition occurred are, of course, separate taxable years of two distinct taxpayers, and each

would be counted as a taxable year. Accordingly, if it were not for the provisions of subsection (c), the successor would not obtain the benefits of the carry-overs to the extent contemplated by the bill.

The operation of this provision is illustrated by the following example: A predecessor corporation made its returns on the calendar-year basis. The acquisition occurred on August 31, 1940, and the corporation was dissolved on the same date; accordingly, it made a return for the short taxable year ending August 31, 1940. Its successor corporation was organized on July 1, 1940, and made its return for its first taxable year for the short taxable year ending on December 31, 1940; thereafter it made its returns on the calendar-year basis. The predecessor corporation sustained a net operating loss in 1939, which was a carry-over to the predecessor corporation for its taxable year beginning January 1, 1940, and ending August 31, 1940, and (to the extent it remained unused in whole or in part) to the taxable year of the successor corporation beginning July 1, 1940, and ending December 31, 1940 (under the provisions of subsections (a) and (b) of section 1). By reason of the provisions of subsection (c) of section 1 there may also be a carry-over to the taxable year of the successor corporation beginning January 1, 1941 (the third succeeding taxable year). In any case, the amount to be carried over to such succeeding taxable years of the successor corporation is to be determined under regulations prescribed so as to allow the amount of any such carry-overs to be determined as nearly as possible in the same manner as prescribed in the code. It is contemplated that in such a case, the carry-over, if any, to the third succeeding taxable year will be computed by making adjustments for each of the two intervening taxable years immediately prior to such third taxable year.

In the application of subsection (c) of section 1 to the carry-over of any unused excess-profits credit, it is contemplated that the regulations will prescribe such adjustments as are necessary in the case of carry-overs from taxable years of less than 12 months in which the acquisition occurred in order that such carry-overs shall, as nearly as possible, be the same in amount as if the predecessor corporation had been made use of in such proceeding instead of the successor corporation. In order to prevent too great a portion of an unused excess-profits credit carry-over being absorbed in intervening taxable years of less than 12 months by reason of the annualization of excess-profits net income for such a short year under section 711 (a) (3), it is also contemplated that the regulations will prescribe a method of adjusting the adjusted excess-profits net income for such intervening years for the purposes of carry-overs to succeeding taxable years under section 710 (c) of the code.

Section 2 of the bill is a provision limiting the effect of the provisions of section 1 of the bill.

Subsection (a) of section 2 provides for a comparison of the aggregate of the income and excess-profits taxes of the successor corporation for any taxable year, determined without regard to any carry-overs permitted by this bill, with the aggregate of the income and excess-profits taxes that would have been imposed on the predecessor corporation for such taxable year if the predecessor corporation had been made use of in the proceeding instead of the successor corporation. Where for any taxable year the successor's aggregate so determined without regard to the carry-overs permitted by the bill is less than the aggregate of the predecessor for such year, each tax, so determined, making up the successor's aggregate for such year shall constitute its tax for such year.

Subsection (b) of section 2 provides that where the successor's aggregate, though not less than the aggregate of the predecessor, would be reduced to a lesser amount than the predecessor's aggregate by an application of section 1 of the bill, the successor's taxes for that year, notwithstanding the provisions of section 1, shall be the taxes that would have been imposed on the predecessor corporation; that is, the same as the taxes that make up the predecessor's aggregate. The comparisons required by section 2 must be made for those taxable years of the successor corporation to which there is a carry-over from the predecessor. Thereafter the comparisons need not be made.

For the purposes of both subsections (a) and (b) of section 2, the taxes that would have been imposed on the predecessor had it been made use of in the proceeding instead of the successor (that is, the taxes that make up the predecessor's aggregate) are to be determined under regulations prescribed by the Commissioner with the approval of the Secretary of the Treasury.

Section 2 of the bill is operative only to limit the net tax reduction that would otherwise result from an application of the provisions of section 1 of the bill, and any carry-overs permitted by section 1 are to be considered as having been used for the year to which section 2 applies to the extent that they would have been used had section 2 not been applicable.

Section 2 may be illustrated by the following examples in which it is assumed that the corporations made their returns on the calendar-year basis:

Example 1. As of the beginning of January 1, 1942, the successor corporation acquired all the properties of the predecessor corporation, the predecessor corporation being dissolved immediately thereafter. The successor corporation was a new corporation, having no capital, no income, and no deductions prior to this acquisition. For 1942, under section 1 of this bill, the successor was allowed a net operating loss carry-over and an unused excess profits credit carry-over from its predecessor. There were no other carry-overs or carry-backs. The taxes of the successor for 1942 computed without regard to the carry-overs provided by this bill were as follows:

Excess profits tax	$1,800,000
Normal tax	1,920,000
Surtax	1,280,000
Aggregate of taxes	5,000,000

Assume that if the predecessor corporation had been used in place of the successor in the proceeding, its deductions and its excess-profits credit would be less than that of the successor. The taxes that would have been imposed upon the predecessor for 1942, computed with its carry-overs, had it been used in place of the successor were as follows:

Excess profits tax	$2,250,000
Normal tax	1,920,000
Surtax	1,280,000
Aggregate of taxes	5,450,000

Since the aggregate of the taxes imposed on the successor without regard to this bill ($5,000,000) is less than the aggregate that would have been imposed on the predecessor if it had been used in place of the successor ($5,450,000), the successor has received full benefit from the proceeding and is not entitled to any tax reduction for such taxable year by the application of this bill.

Example 2. In this example, involving the same corporations for the same taxable year, there is no net operating loss carry-over from the predecessor corporation but there is an unused excess-profits credit carry-over, and the excess-profits credit of the predecessor if it had been used in place of the successor is more than such credit in example 1. The taxes of the successor corporation, computed without regard to any carry-overs, are the same as in example 1. The taxes that would have been imposed on the predecessor for 1942 in this example were as follows:

Excess-profits tax	$900,000
Normal tax	2,160,000
Surtax	1,440,000
Aggregate of taxes	4,500,000

Section 2 (a) of the bill, illustrated in example 1, does not apply since the aggregate of the taxes imposed on the successor without regard to the bill ($5,000,000) is not less than the aggregate that would have been imposed on the predecessor had it been used in place of the successor in the proceeding ($4,500,000). However, the taxes of the successor computed with the carry-overs for 1942 provided by section 1 of the bill were as follows:

Excess-profits tax	0
Normal tax	$2,400,000
Surtax	1,600,000
Aggregate of taxes	4,000,000

The aggregate of the taxes of the successor computed with the carry-overs provided by section 1 of this bill ($4,000,000) is less than the aggregate of the taxes that would have been imposed on the predecessor if it had been used in the proceeding in place of the successor ($4,500,000). Subsection (b) of section 2 provides that in such a case, where subsection (a) of section 2 does not apply, the taxes of the successor corporation shall be the taxes that would have been imposed on the predecessor corporation if it had been so used in place of the predecessor. Accordingly, the taxes of the successor corporation for such taxable year are as follows:

Excess-profits tax	$900,000
Normal tax	2,160,000
Surtax	1,440,000

Of course, if in this example the aggregate of the taxes of the successor computed with the carry-overs provided by section 1 of the bill were not less than the aggregate of the taxes that would have been imposed on the predecessor if it had been used in the proceedings in place of the successor, the taxes of the successor would be its taxes computed with the carry-overs provided by section 1.

Section 3 of the bill provides that where there are two or more predecessor corporations or two or more successor corporations the provisions of sections 1 and 2 of the bill shall be applied only to such extent and subject to such conditions, limitations, and exceptions as the Commissioner, with the approval of the Secretary, may by regulations prescribe. This provision is necessary because of the problems presented where more than one railroad corporation is involved in the proceeding and under the order of the court a combination into a single successor corporation is effected or a single corporation is split into two or more corporations. Thus, in some cases one or more of such predecessor corporations may have filed consolidated returns with another of the predecessor corporations whereas there may be additional corporations involved which were not so consolidated. In view of the probable variation in the circumstances presented in each case and in view of the Commissioner's experience with many similar types of situations, for example, those arising where corporations file consolidated returns, it is desirable that the Commissioner apply the statute to these cases under regulations prescribed by him with the approval of the Secretary, giving reasonable and proper effect to the general policy set forth in the bill.

Section 4 of the bill extends, for not more than 1 year after the date of the enactment of the bill, the period of limitation as to all years affected by the bill if the refund or credit of any overpayment to the

extent resulting from the application of the bill is prevented on the date of its enactment or within 1 year from such date, except where refund or credit is prevented by section 3761 of the Internal Revenue Code relating to compromises. In such cases where section 4 extends the period of limitation, the overpayment shall be refunded or credited if claim therefor is filed within 1 year from the date of enactment of the bill. The overpayment is to be credited or refunded in the manner provided in the Internal Revenue Code. However, no interest is to be allowed or paid on any overpayment or deficiency resulting from the application of the bill. If an overpayment allowed under this bill (for example, in an amount of excess profits tax) results in a deficiency in a related tax (for example, in an amount of income tax) which deficiency, however, would be barred by the statute of limitations such deficiency may be assessed and collected as provided in section 3807 of the Internal Revenue Code.

Mr. FORAND. Mr. Speaker, I realize I cannot stop the passage of this legislation. It can be brought up by other means, either under a rule or under suspension of the rules. For this reason I withdraw my objection, but I shall vote against the bill.

The SPEAKER. Is there objection to the present consideration of the bill?

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That (a) if a railroad corporation (as defined in section 77m of the National Bankruptcy Act, as amended) (hereinafter referred to as successor corporation) has acquired, prior to January 1, 1948, property from another such railroad corporation (hereinafter referred to as predecessor corporation) in a receivership proceeding, or in a proceeding under section 77 of the National Bankruptcy Act, as amended, and if the basis of the property so acquired is determined under section 113 (a) (20) of the Internal Revenue Code, then, for the purposes of the determination under the Internal Revenue Code of—

(1) the "net operating loss carry-over" from any taxable year beginning after December 31, 1938, under the law applicable to such taxable year; and

(2) the "excess profits credit carry-over" or the "unused excess profits credit carry-over" from any taxable year beginning after December 31, 1939, under the law applicable to such taxable year,

the net operating losses and the unused excess profits credits of such predecessor corporation for the taxable year in which the acquisition occurred and for the two preceding taxable years shall be carry-overs to such successor corporation in the manner and to the extent provided in regulations prescribed by the Commissioner of Internal Revenue, with the approval of the Secretary of the Treasury, as necessary to apply such net operating losses and unused excess profits credits as carry-overs so far as possible as if the predecessor corporation had been made use of in such proceeding instead of the successor corporation.

(b) For the purposes of this section, the taxable year of the successor corporation in which the acquisition occurred shall be considered as a taxable year succeeding the taxable year of the predecessor corporation in which the acquisition occurred.

(c) For the purposes of this section, if the period, beginning on the first day of the taxable year of the predecessor corporation in which the acquisition occurred and ending on the last day of the taxable year of the successor corporation in which the acquisition occurred, is not more than 12 months, the number of taxable years to which such net operating loss or unused excess profits credit is a carry-over shall be three instead of two, and such regulations shall prescribe (as nearly as possible in the same manner as provided in section 122 (b) (2) and section 710 (c) (3) (B) of such code) the amount to be carried over to the last of such succeeding years.

SEC. 2. (a) In the case of any taxable year of the successor corporation, if—

(1) the aggregate for such taxable year of the taxes of the successor corporation imposed by chapter 1 and subchapter E of chapter 2 of the Internal Revenue Code, computed without regard to this act,

is less than the amount of—

(2) the aggregate of such taxes (determined under regulations prescribed by the Commissioner with the approval of the Secretary) that would have been imposed on the predecessor corporation for such taxable year if the predecessor corporation had been made use of in such proceeding instead of the successor corporation,

then the taxes of the successor corporation for such taxable year shall be the taxes computed without regard to this act.

(b) In the case of any taxable year to which subsection (a) of this section is not applicable, if—

(1) the aggregate for such taxable year of the taxes of the successor corporation imposed by chapter 1 and subchapter E of chapter 2 of the Internal Revenue Code, computed without regard to this section,

is less than the amount of—

(2) the aggregate of such taxes (determined under regulations prescribed by the Commissioner with the approval of the Secretary) that would have been imposed on the predecessor corporation for such taxable year if the predecessor corporation had been made use of in such proceeding instead of the successor corporation,

then the taxes of the successor corporation for such taxable year shall be the taxes so determined under regulations as the taxes that would have been imposed on the predecessor corporation for such taxable year.

SEC. 3. Where there are two or more predecessor corporations or two or more successor corporations, the provisions of sections 1 and 2 of this act shall be applied only to such extent and subject to such conditions, limitations, and exceptions as the Commissioner, with the approval of the Secretary, may by regulations prescribe.

SEC. 4. If the allowance of a credit or refund of an overpayment of tax resulting from the application of this act is prevented, on the date of the enactment of this act or within 1 year from such date, by the operation of any law or rule of law other than this section and other than section 3761 of the Internal Revenue Code, such overpayment shall be refunded or credited in the manner provided in the Internal Revenue Code if claim therefor is filed within 1 year from the date of the enactment of this act. No interest shall be allowed or paid on any overpayment or deficiency resulting from the application of this act.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

Mr. JENKINS of Ohio. Mr. Speaker, I ask unanimous consent to revise and extend my remarks and include with my remarks the committee report so that every bit of information we have may be in the RECORD.

The SPEAKER. Is there objection to the request of the gentleman from Ohio?

There was no objection.

NURSERIES AND NURSERY SCHOOLS IN THE DISTRICT OF COLUMBIA

Mr. DIRKSEN. Mr. Speaker, I call up the bill (S. 751) to continue a system of nurseries and nursery schools for the day care of school-age and under-school-age children in the District of Columbia through June 30, 1948, and for other purposes, and ask unanimous consent that it may be considered in the House as in the Committee of the Whole.

The Clerk read the title of the bill.

The SPEAKER. Is there objection to the request of the gentleman from Illinois?

There was no objection.

The Clerk read the bill, as follows:

Be it enacted, etc., That section 2 of the act entitled "An act to authorize and direct the Board of Public Welfare of the District of Columbia to establish and operate in the public schools and other suitable locations a system of nurseries and nursery schools for day care of school-age and under-school-age children, and for other purposes," approved July 16, 1946 (Public Law 514, 79th Cong.), is amended by striking out the date "June 30, 1947" and inserting in lieu thereof the date "June 30, 1948."

SEC. 2. Such section is further amended by striking out "or who are so handicapped that they cannot otherwise provide for the day care of their children"; and by adding at the end of such section the following new sentence: "Appropriations made under the authority contained in section 4 of this act shall be available for the maintenance and operation of such of the buildings and grounds (as may be designated and approved by the Commissioners of the District of Columbia under the provisions of this section) in and on which such nurseries and nursery schools may be established, maintained, and operated."

SEC. 3. Section 4 of such act is amended by striking out "$500,000" and inserting in lieu thereof "$150,000."

Mr. MILLER of Nebraska. Mr. Speaker, I move to strike out the last word.

Mr. Speaker, this bill from the Committee on the District of Columbia, deals with day-care centers for children. The day-care centers were established in 1942, during the war. This bill has been under consideration by a subcommittee. The subcommittee did not report the bill unanimously. I take the floor at this time to speak to the membership about some phases of the situation and follow their judgment in the matter.

As I said, day-care centers were established in 1942 for the purpose not to take care of children but to provide a place where working mothers could take their children while they were participating in the war effort. Congress has, from year to year, reenacted the bill and extended it.

The question presents itself: Shall the Congress continue to authorize day-care centers in the District of Columbia and for how long, and to what extent?

I think the membership will be interested in the fact that the Commissioners who now have the authority and responsibility over these centers while, personally they think it would be nice to continue these day-care centers, are asking themselves whether the District can afford them. In other words the war is over and, like a prudent man, we must ask ouselves not whether we want this

but whether we can afford child-day centers.

In the Seventy-ninth Congress this activity was transferred to the Public Welfare Department which now has control of the care of children. They report it cost about $11.50 a week for a 5-day week, almost $60 a month, for the care of these children. The parents pay an average of $3.60 a week for this service for their children. It is governed by what the parents can afford to pay. They take in the children of mothers who are working and of families that earn up to $5,000 a year. The average age of the children in these centers is from 2 to 11 years of age.

The operation since the Public Welfare people have taken it over seems to have been very good. The Congress appropriated last year $250,000. The bill passed by the other body recently provides for $151,000. The welfare group say they cannot operate the 13 centers, but can operate perhaps seven or eight centers with that amount of money.

There is now a waiting list of children that want to come into these centers. The working mothers need such a center. I do not think many of them could work without having it.

The question is, of course, how far shall the District go with this type of work. Some cities have similar projects. For instance, New York, Chicago, San Francisco, Los Angeles, and Denver. I understand Baltimore does not have it. There are only about seven or eight large cities that have a complete child-care service. Some places have a limited service.

I may say that the full District Committee took some action asking that the subcommittee study the quesion more in detail and bring back a report and recommendation as to whether the District should take over the care of these school-age children in a large program or shrink the program. The committee will undertake this study very soon. Of course, the question is how far you want to extend it. Do you want to extend it to children between 2 and 5 or between 2 and 11, as they have it now. Some of the Members feel that perhaps it should be a part of the Community Chest fund operation or perhaps part of the preschool activity.

Those are some of the things I wanted to present to the Members of Congress relative to this program. How far do you want to go, bearing in mind the cost, bearing in mind the present condition of the District of Columbia budget, and bearing in mind that the war is now over, that the purposes for which the centers were established to take care of these children has been fulfilled. This involved not so much the children as permitting the mothers to work during the war effort. About 300 families with 500 children now receive this service.

The SPEAKER. The time of the gentleman from Nebraska has expired.

The question is on the resolution.

The bill was ordered to be read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

REGULATION OF FUNERAL DIRECTORS AND EMBALMERS IN THE DISTRICT OF COLUMBIA

Mr. DIRKSEN. Mr. Speaker, I call up the bill, H. R. 2173, to amend section 7 of the act entitled "An act making appropriations to provide for the expenses of the government of the District of Columbia for the fiscal year ending June 30, 1903, and for other purposes," approved July 1, 1902, as amended, and I ask unanimous consent that this bill be considered in the House as in Committee of the Whole.

The Clerk read the title of the bill.

The SPEAKER. Is there objection to the request of the gentleman from Illinois?

There was no objection.

The Clerk read the bill, as follows:

Be it enacted, etc., That section 7 of the act entitled "An act making appropriations to provide for the expenses of the government of the District of Columbia for the fiscal year ending June 30, 1903, and for other purposes," approved July 1, 1902, as amended, is hereby amended by adding paragraph 44A.

"PAR. 44A. (a) On and after 90 days from the enactment of this paragraph, no person shall, in the District of Columbia, carry on the business or profession, or discharge any of the duties, of an undertaker or embalmer, unless there has been issued to him by the Comissioners of the District of Columbia or their designated agent a license therefor in full force and effect. Such license shall entitle the holder thereof to perform the duties of an undertaker or embalmer, or both. The fee for such license shall be $20 per annum, which shall be paid to the Collector of Taxes of the District of Columbia. Such license shall be issued at the time and in the manner provided in paragraph No. 5 of this section.

"(b) An applicant for a license shall submit proof satisfactory to the Commissioners or their designated agent, on such forms as the Commissioners may prescribe, that he is not less than 21 years of age, a citizen of the United States, of good moral character; that he is a graduate of a recognized high school or educational equivalent; that he is a graduate of a school or college of embalming, whose course of instruction is not less than 9 months, comprising not less than 840 hours of study, and that he has had not less than 2 years' practical experience in the business or profession. Such applicant shall be examined theoretically and practically in anatomy, embalming, embalming fluids, sanitation, disinfection, the care and preparation of dead human bodies for burial and the shipment of same, laws and regulations pertaining to communicable diseases, and such other subjects as the Commissioners or their designated agent deem appropriate and proper: *Provided, however,* That at the time of the enactment of this act every person registered as an undertaker with the Health Department of the District of Columbia and actually engaged in the business or profession of undertaker or embalmer of a fixed place or establishment equipped as a funeral home and who desires to continue in such business or profession shall be entitled to a license therefor without examination upon application therefor and upon furnishing proof satisfactory to the Commissioners or their designated agent that he was so registered and so engaged in such business; that he is not less than 21 years of age; a citizen of the United States, of good moral character, and that he is a graduate of a school or college of embalming whose course of instruction is not less than 9 months of study, comprising not less than 840 hours of study, or that he has had actual experience equivalent thereto; and upon payment of a license fee hereinbefore provided.

"An examination of applicants for a license shall be held not less frequently than once each year at such time and place as the Commissioners or their designated agent shall determine; notice of such examination shall be given at least 30 days prior to the date set therefor.

"(c) The Commissioners are hereby authorized:

"(1) To refuse to issue or renew or to suspend or revoke a license for fraud or misrepresentation in the application therefor, or for misconduct during an examination therefor, or for any act or practice considered detrimental to the public health, welfare, and safety, including the act of removing a dead human body without the prior consent of a person who, under the law, is authorized to give such consent, or for violation of the laws and regulations of the District of Columbia relating to the removal or burial or disposal of dead human bodies or the provisions of this paragraph or of the rules and regulations hereinafter authorized to be promulgated, or for conviction of a felony as shown by a certified copy of the record of the court of conviction, or for such other cause as the Commissioners may consider advisable.

"(2) To appoint a committee of seven persons of good moral character, six of whom shall have been actually and continuously engaged in the business or profession of undertaker or embalmer in the District of Columbia for at least 5 years next preceding their appointment and the health officer of the District of Columbia, or a member of the personnel of the health department designated by said health officer, who shall serve ex officio as a member of said committee, to conduct the examination of applicants for a license hereinbefore provided; the appointment of each such person shall be for a period of 1 year unless sooner terminated by the Commissioners for cause; such appointees shall serve without compensation for their services as such.

"(3) To issue licenses without examination to persons licensed by other Territories and States under such terms and conditions as they may deem appropriate.

"(4) To prescribe the terms, conditions, and license fee, not to exceed $10 per annum, under which apprenticeship shall be served.

"(5) To employ, and provide for necessary travel, in accordance with the Classification Act of 1923, as amended, such additional employees as may be necessary and to make such expenditures as may be necessary for the proper enforcement of the provisions of this paragraph and the rules and regulations promulgated by authority thereof. There is hereby authorized to be appropriated, out of any moneys in the Treasury of the United States to the credit of the District of Columbia not otherwise appropriated, funds to carry out the provisions of this act.

"(6) To promulgate and enforce, and from time to time to alter, such rules and regulations, not inconsistent with the provisions of this paragraph, as they deem necessary, for the proper execution and enforcement of the provisions of this paragraph.

"(d) The provisions of paragraph No. 1 of this section relative to the assignment or transfer of a license and the provisions of paragraph No. 7 of this section relative to the definition of the word 'person' shall not apply to licenses issued under the provisions of this paragraph. The word 'person' as used in this paragraph shall be construed to mean a natural person only, and licenses issued under the provisions of this paragraph shall not be assignable or transferable."

With the following committee amendments:

Page 2, line 2, strike out the words "carry on the business or profession, or."

Page 3, line 9, strike out the words "the business or profession of" and insert in lieu thereof "discharging the duties of an."

Page 3, line 10, insert after the word "home" the words "in the District of Columbia."

Page 3, line 11, strike out the words "in such business or profession" and insert in lieu thereof "to discharge such duties."

Page 3, line 15, strike out the words "engaged in such business" and insert in lieu thereof "discharging such duties."

Page 4, line 20, strike the word "seven" and insert "five."

Page 4, line 21, after the comma, insert the words "not more than."

Page 4, line 21, strike the word "six" and insert in lieu thereof the word "two."

Page 4, line 22, strike out the words "the business or profession of" and insert in lieu thereof "discharging the duties of an."

The committee amendments were agreed to.

Mr. DIRKSEN. Mr. Speaker, the gentleman from Nebraska [Mr. MILLER], chairman of the committee handling this bill, will want to be heard in explanation of it.

Mr. MILLER of Nebraska. Briefly, Mr. Speaker, this bill provides for certain regulations and qualifications of undertakers. Under the present law in the District of Columbia, all anyone who engages in the business or profession of undertaking or embalming has to do is register his name with the Health Department, but without any proof that he is qualified to conduct such business or profession to get a permit. The bill sets up minimum standards for the licensing of those engaged in undertaking and embalming, and creates a committee of five persons to be selected by the Commissioners, two of whom shall be reputable undertakers or embalmers, and the Health Officer of the District of Columbia, or a member of the personnel designated by him, shall be a member of said committee.

I might say to the Members of the House that 48 States now have some regulations for the qualifications of those individuals who want to become undertakers and embalm bodies and conduct funerals. The District of Columbia has no regulations. We held extensive hearings before the Senate held hearings, and we also had some joint hearings. There was one objection from one undertaker in the city, and I think that the amendments that have been presented will remove that objection. He has indicated no objections to me since the bill was reported. It came out of the full Committee on the District of Columbia by unanimous vote. It seems to me that the District of Columbia ought to establish as soon as possible some qualifications for individuals who want to engage in this important business. It has the support of all the other undertakers, with one exception.

Mr. HARRIS. Mr. Speaker, will the gentleman yield?

Mr. MILLER of Nebraska. I yield to the gentleman from Arkansas.

Mr. HARRIS. As I understand, this legislation would require a license fee of $20 a year to be paid to the Collector of Taxes of the District of Columbia by those who handle bodies and work for the undertakers and embalmers of the District of Columbia.

Mr. MILLER of Nebraska. On page 5, line 13, there is a $10 fee for apprentices. the $20 is for the undertaker who is established in business. I think the gentleman is right.

Mr. HARRIS. Is it the gentleman's interpretation of this language that the $20 applies to the owner of the undertaking establishment and not to the employees and apprentices in that business?

Mr. MILLER of Nebraska. I think it applies to the owner, the individual actually engaged in the practice of undertaking. As to the apprentice, the man who is learning the business, $10 applies to him.

Mr. HARRIS. An apprentice, working for an embalming establishment, in my opinion, is a man who is just working there as a hired hand, doing odd jobs, and he is the man you are going to require a $10 license from?

Mr. MILLER of Nebraska. I do not so interpret it.

Mr. HARRIS. I mean, the man who actually assists the undertaker.

Mr. MILLER of Nebraska. I think the chauffeur or hearse driver is not an apprentice, certainly not under the provisions of this bill.

Mr. HARRIS. Information has come to me that there are some 82 undertaking establishments operating in the District of Columbia and that there are some 410 employees in this business in the District of Columbia; that is, employees working for them, and some 300 of them would be qualified and required to pay $20 a year to continue to work. We have had a lot of talk in the last few years, I would say, on the gentleman's side of the House, as to how much money a person should be required to pay into a union in order to work. Now, here is what you are doing in the District of Columbia to people who are employed in the business of embalming. They are going to be required to pay $20 a year?

Mr. MILLER of Nebraska. Let me call the gentleman's attention to the language on page 2, line 3, "The duties of an undertaker or embalmer." I think that very definitely circumscribes who will pay the ten or twenty dollars. I would say to the gentleman that the other 48 States require the payment of some fees or dues for licensing operations in the profession of embalming.

Mr. HARRIS. What are the fees paid in the other States.

Mr. MILLER of Nebraska. They are all the way from $5 to $50, the testimony shows. The average is around $20 or $25.

Mr. HARRIS. That is for people who work for the embalming establishment?

Mr. MILLER of Nebraska. No; the undertaker or embalmer. The embalmer is the man who works with the bodies. The undertaker may be the man who supervises the funeral, a funeral director, or he may embalm bodies and conduct funerals.

The SPEAKER. The time of the gentleman from Nebraska has expired.

Mr. HARRIS. Mr. Speaker, I move to strike out the last word.

As I understand it, the owner of the embalming business is required to pay a fee in some of the States.

Mr. MILLER of Nebraska. He is generally an embalmer. In Washington they are all embalmers.

Mr. HARRIS. That is it. The man who makes $1,500 or $2,000 has to pay the same fee in Washington as the man who owns the establishment and probably makes thousands of dollars in connection with his business.

Mr. MILLER of Nebraska. The undertaker and the embalmer in Washington, D. C., are practically the same individual. I do not think you will find much difference. You do have your apprentice individuals, who pay a smaller fee for learning the business.

The merit of the bill, as I see it, is that it sets up some qualifications for the individual who is going to enter into the important job of undertaking We had testimony before our committee that the best individual one undertaker had in Washington, D. C., was a bus boy in a hamburger shop. He took him out of there, with no training and no experience whatsoever, and now he is an undertaker. We had further information before our committee that when individuals die in the District that often, within a couple of hours, four or five undertakers or embalmers are out there trying to snatch the body.

Mr. HARRIS. This bill does not correct that situation?

Mr. MILLER of Nebraska. Yes; indeed, it does.

Mr. HARRIS. On page 3 I notice this language:

At the time of the enactment of this act every person registered as an undertaker with the Health Department of the District of Columbia and actually engaged in discharging the duties of an undertaker or embalmer at a fixed place or establishment equipped as a funeral home in the District of Columbia and who desires to continue to discharge such duties shall be entitled to a license—

And so forth.

Mr. MILLER of Nebraska. Sure; but it will stop him doing that work in the future. Pass this bill, and in the future he will not be in the body-snatching business. He will be under the regulation of this Board, and the regulations will make that an improper act.

Mr. DONDERO. Mr. Speaker, will the gentleman yield?

Mr. HARRIS. I yield to the gentleman from Michigan.

Mr. DONDERO. What is the purpose of the fee? Is it to bring enough money into the treasury of the District of Columbia to administer the law? I assume that is it.

Mr. HARRIS. It is not clear to me. I assume the gentleman from Nebraska can tell the gentleman from Michigan its purpose.

Mr. MILLER of Nebraska. The individuals appointed on this Board will not be salaried persons. We change this to make it five individuals, only two of whom shall be undertakers. They receive no salary so there is no cost other

than expenses. This should be sufficient to carry it.

Mr. DONDERO. That is the purpose of the question, to find out whether it is simply to get money enough to carry the law.

Mr. MILLER of Nebraska. The Commissioners seem to think it would be sufficient to carry it; yes.

Mr. HARRIS. In the bill they submitted they set the fee at $20, I believe.

Mr. MILLER of Nebraska. Yes.

Mr. HARRIS. Would it not take something like $12,000 or $15,000 a year to administer this act?

Mr. MILLER of Nebraska. No, I think not, because no one receives any salary under this act. The Board is not a salaried Board.

Mr. HARRIS. Why charge them any license fees if it does not cost them anything?

Mr. MILLER of Nebraska. There are some examinations and some expenses. I question whether the expenses will be over $2,000 a year in the matter of issuing licenses and giving examinations.

Mr. HARRIS. Does this provide reciprocity with other States?

Mr. MILLER of Nebraska. It sets up reciprocity provisions, which we do not have at the present time.

Mr. HARRIS. You do not have any regulations at present?

Mr. MILLER of Nebraska. That is right; there is no reciprocity now because there are no regulations.

Mr. HARRIS. But if this bill were to pass, you would have a reciprocity provision in it?

Mr. MILLER of Nebraska. It would be possible to set up reciprocity with other States. It is thought the standards are high enough here to meet their requirements.

Mr. HARRIS. Anyone coming from another State would be required to stand an examination given by a board established under this act before he would be permitted to practice embalming in the District of Columbia?

Mr. MILLER of Nebraska. If he met the qualifications set up in this bill he could either take the examination or get a license by reciprocity. That is true of any other profession, I might say.

Mr. HARRIS. The qualification, of course, is that he must be 21 years of age, a resident of the District and have as much as 2 years of training in some college. Is that correct?

Mr. MILLER of Nebraska. He must be a graduate of a recognized high school or have its educational equivalent. That is, he must be a graduate of a school or college and enrolled in an embalming course with instruction of not less than 9 months comprising no less than 840 hours of study, and that he has had not less than 2 years' practical experience in the business or profession. He must be of good moral character and qualify for reciprocity or take an examination as is now done in other States.

Mr. HARRIS. It seems to me the objection could be made to this legislation that it sets up a provision in the District of Columbia whereby those who are here now may continue in their business by payment of annual dues and restricting anyone else to the discretion of the Commission.

Mr. MILLER of Nebraska. Yes. A grandfather clause protects those now in the business.

Mr. HARRIS. But if someone else happens to come in and wants to practice embalming he has to go through all of these requirements as set out in the bill before he will be permitted to work in the District, in addition to paying $20 a year.

Mr. MILLER of Nebraska. I think it is necessary that he have a knowledge of anatomy, embalming, embalming fluids, sanitation, disinfectants, and so forth. That is what the bill requires as a minimum requirement.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

NEW SCHOOL BUILDING AT MOCLIPS, GRAYS HARBOR COUNTY, WASH.

Mr. WELCH. Mr. Speaker, I ask unanimous consent to take from the Speaker's desk the bill (H. R. 2545) to provide funds for cooperation with the school board of the Moclips-Aloha District for the construction and equipment of a new school building in the town of Moclips, Grays Harbor County, Wash., to be available to both Indian and non-Indian children, with Senate amendment thereto, and concur in the Senate amendment.

The Clerk read the title of the bill.

The Clerk read the Senate amendment, as follows:

Page 1, line 5, after "for" insert "expenditure under the direction of the Secretary of the Interior for."

The SPEAKER. Is there objection to the request of the gentleman from California?

There was no objection.

The Senate amendment was concurred in.

A motion to reconsider was laid on the table.

MINING CLAIMS IN ALASKA

Mr. WELCH. Mr. Speaker, I ask unanimous consent to take from the Speaker's table the bill (H. R. 2369) providing for the suspension of annual assessment work on mining claims held by location in the Territory of Alaska, with Senate amendment thereto, disagree to the Senate amendment, and agree to the conference asked by the Senate.

The SPEAKER. Is there objection to the request of the gentleman from California? [After a pause.] The Chair hears none and appoints the following conferees: Messrs. WELCH, CRAWFORD, and SOMERS.

DISTRICT OF COLUMBIA BUSINESS—FIRE DEPARTMENT, DISTRICT OF COLUMBIA

Mr. DIRKSEN. Mr. Speaker, I call up the bill (H. R. 3433) to amend the act entitled "An act to classify the officers and members of the Fire Department of the District of Columbia, and for other purposes," approved June 20, 1906, and for other purposes, and ask unanimous consent that the bill be considered in the House as in Committee of the Whole.

The Clerk read the title of the bill.

The SPEAKER. Is there objection to the request of the gentleman from Illinois?

There was no objection.

The Clerk read the bill, as follows:

Be it enacted, etc., That section 3 of the act entitled "An act to classify the officers and members of the Fire Department of the District of Columbia, and for other purposes," approved June 20, 1906, as amended (D. C. Code, 1940 ed., sec. 4–404), is amended to read as follows:

"SEC. 3. That the Fire Department of the District of Columbia shall be composed of and operated upon a two-platoon system and the personnel thereof shall consist of one chief engineer; such number of deputy chief engineers (all of whom shall have had at least 5 years' experience in some regularly organized municipal fire department) and battalion chief engineers as said Commissioners may deem necessary from time to time within the appropriations made by Congress; one fire marshal; such number of deputy fire marshals, inspectors, and clerks as said Commissioners may deem necessary from time to time within the appropriations made by Congress; such number of captains, lieutenants, and sergeants as said Commissioners may deem necessary from time to time within the appropriations made by Congress; one superintendent of machinery; and such number of assistant superintendents of machinery; pilots, marine engineers, assistant marine engineers, marine firemen, privates of class 6, privates of class 5, privates of class 4, privates of class 3, privates of class 2, privates of class 1, hostlers, and laborers as said Commissioners may deem necessary from time to time within the appropriations made by Congress: *Provided*, That the chief engineer of the Fire Department of the District of Columbia shall have the right to call for and obtain the services of any veterinary surgeon employed by said District who at the time shall not be engaged in a more emergent veterinary service for said District: *Provided further*, That the police surgeons of said District are required to attend, without charge, the members of the Fire Department of said District, and examine all applicants for appointment to, promotion in, and retirement from, said Fire Department."

SEC. 2 (a) The Commissioners of the District of Columbia are authorized and directed to (1) establish a workweek of not more than 70 hours for officers and members of the Fire Department of the District of Columbia on night-platoon duty and of not more than 50 hours for such officers and members on day-platoon duty, and (2) require that the hours of work in each such workweek be performed within a period of five of any seven consecutive days. The 2 days off duty in each 7-day period to which each officer and member of the Fire Department is entitled under this subsection shall be in addition to his annual leave and sick leave allowed by law.

(b) Notwithstanding the provisions of subsection (a), whenever the Commissioners declare that an emergency exists of such a character as to necessitate the continuous service of all officers and members of the Fire Department, it shall be the duty of the chief engineer of the Fire Department to suspend and discontinue the granting of such 2 days off in 7 during the continuation of such emergency.

SEC. 3. This act shall take effect on July 1, 1948.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

DISTRICT OF COLUMBIA EMERGENCY RENT ACT

Mr. DIRKSEN. Mr. Speaker, I call up the bill (H. R. 3131) to extend for

the period of 1 year the provisions of the District of Columbia Emergency Rent Act, approved December 2, 1941, as amended, and ask unanimous consent that the bill be considered in the House as in Committee of the Whole.

The Clerk read the title of the bill.

The SPEAKER. Is there objection to the request of the gentleman from Illinois?

There was no objection.

The Clerk read the bill, as follows:

Be it enacted, etc., That section 1 (b) of the act entitled "An act to regulate rents in the District of Columbia, and for other purposes," approved December 2, 1941, as amended (D. C. Code, 1940 ed., sec. 45–1601), is hereby amended by striking out "1947" and inserting in lieu thereof "1948."

With the following committee amendment:

At the end of page 1, line 7, after the word "thereof", insert "March 31, 1948."

The committee amendment was agreed to.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

DISTRICT OF COLUMBIA UNEMPLOYMENT COMPENSATION ACT

Mr. DIRKSEN. Mr. Speaker, I call up the bill (H. R. 3864) to amend the District of Columbia Unemployment Compensation Act with respect to contribution rates after termination of military service and ask unanimous consent that the bill be considered in the House as in Committee of the Whole.

The Clerk read the title of the bill.

The SPEAKER. Is there objection to the request of the gentleman from Illinois?

There was no objection.

The Clerk read the bill, as follows:

Be it enacted, etc., That section 3 (c) (4) of the District of Columbia Unemployment Compensation Act, as amended, is amended by adding at the end thereof the following:

"(iv) Contribution rates after termination of military service: When the Board finds that the continuity of an employer's employment experience has been interrupted solely by reason of one or more of the owners, officers, managers, partners, or majority stockholders of such employer's employing enterprise having served in the armed forces of the United States of America or any of its allies during a time of war, such employer's employment experience shall be deemed to have been continuous throughout the period that such individual or individuals so served in such armed forces, including the period up to the time it again resumes the status of an employer liable for contributions under this act, provided it resumes such status within 2 years from the date of discharge of such individual or individuals or from the date of the termination of such war, whichever date is the earlier. For the purposes of this paragraph (iv), in determining an employer's contribution rate his average annual pay roll shall be the average of his last three annual pay rolls."

SEC. 2. Section 3 (a) (9) (b) of the District of Columbia Unemployment Compensation Act is hereby amended to read as follows:

"(b) The term 'average annual pay roll', except for the purposes of paragraph (4) (iv) of this subsection, means the average of the annual pay rolls of any employer for the three consecutive 12-month periods ending 90 days prior to the computation date;".

SEC. 3. The amendments made by this act shall be effective with respect to employment on or after July 1, 1943. The amount of any contributions or interest thereon paid to the Board by any employer in excess of the amount such employer would have been required to pay if the amendments made by this act had been in effect on and after July 1, 1943, shall, for the purposes of section 4 (i) of the District of Columbia Unemployment Compensation Act, be considered to have been erroneously collected. Notwithstanding the period of limitation prescribed in such section 4 (i), the employing unit which paid such excess amount of contributions or interest thereon may make application under such section 4 (i) within 1 year after the date of the enactment of this act for an adjustment or a refund thereof.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

RAILROAD SIDING, FRANKLIN STREET NE.

Mr. DIRKSEN. Mr. Speaker, I call up the bill (H. R. 3744) to authorize the construction of a railroad siding in the vicinity of Franklin Street NE., District of Columbia, and ask unanimous consent that the bill be considered in the House as in Committee of the Whole.

The Clerk read the title of the bill.

The SPEAKER. Is there objection to the request of the gentleman from Illinois?

The Clerk read the bill, as follows:

Be it enacted, etc., That, subject to sections 2 and 3, the Baltimore & Ohio Railroad Co. is hereby authorized to construct in the District of Columbia a single siding which shall start at a point on such company's Metropolitan branch track approximately 367 feet north of the center line of Franklin Street, NE. and shall run from such point in a southerly direction (a) across the southeast corner of parcel 132/71, (b) under the viaduct in Franklin Street, (c) into parcel 132/85, and (d) along the east line of parcel 132/85.

SEC. 2. The siding authorized to be constructed by the first section shall pass under the viaduct in Franklin Street in accordance with plans approved in advance of such construction by the Commissioners of the District of Columbia.

SEC. 3. Congress reserves the right to alter, amend, or repeal this act.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider laid on the table.

Mr. DIRKSEN. Mr. Speaker, that concludes the business on the District of Columbia Calendar.

EXTENSION OF REMARKS

Mr. DEVITT asked and was given permission to extend his remarks in the Appendix of the RECORD and include a letter from a constituent.

Mr. FLETCHER asked and was given permission to extend his remarks in the RECORD.

LEAVE OF ABSENCE

By unanimous consent, leave of absence was granted as follows:

To Mr. SNYDER (at the request of Mr. ARENDS), indefinitely, on account of death in the family.

To Mr. MORGAN (at the request of Mr. MCCORMACK), for 1 week, on account of death in the family.

To Mr. EDWIN ARTHUR HALL, from June 23 to June 28, inclusive, on account of official business.

COMMITTEE ON ARMED SERVICES

Mr. ANDREWS of New York. Mr. Speaker, I ask unanimous consent that the gentleman from Missouri [Mr. SHORT] may have until midnight tonight to file a committee report from the Committee on Armed Services on the so-called officers' and personnel bill, H. R. 3820.

The SPEAKER. Is there objection to the request of the gentleman from New York?

There was no objection.

PERMANENT RATE OF POSTAGE ON FIRST-CLASS MAIL MATTER

Mr. REES. Mr. Speaker, I ask unanimous consent for the immediate consideration of House Joint Resolution 221, to provide for permanent rates of postage on mail matter of the first class, and for other purposes.

The Clerk read the title of the resolution.

The SPEAKER. Is there objection to the request of the gentleman from Kansas?

There being no objection, the Clerk read the resolution, as follows:

Resolved, etc., That the rate of postage on all mail matter of the first class (except postal cards and private mailing or post cards) shall be 3 cents for each ounce or fraction thereof: *Provided*, That drop letters shall be charged at the rate of 1 cent for each ounce or fraction thereof when mailed for local delivery at post offices where free delivery by carrier is not established and when they are not collected or delivered by rural or star-route carriers. The rate of postage on postal cards (including the cost of manufacture) and private mailing or post cards (conforming to the conditions prescribed by the act entitled "An act to amend the postal laws relating to use of postal cards," approved May 19, 1898 (U. S. C., 1940 ed., title 39, sec. 281), shall be 1 cent each.

SEC. 2. The increases in the rates of postage on mail matter of the fourth class, and the increases in the registry fees for registered mail, fees for obtaining receipts for registered mail, and fees for delivery of registered, insured, and collect-on-delivery mail to addressee only, or to addressee or order, prescribed by title IV of the Revenue Act of 1943 (58 Stat. 69, 70), as amended by the act of September 17, 1944 (58 Stat. 732), entitled "An act to fix the fees for domestic insured and collect-on-delivery mail, special-delivery service, and for other purposes," and by the act of August 14, 1946 (Public Law 730, 79th Cong., 2d sess.), entitled "An act to fix the rate of postage on domestic air mail, and for other purposes," shall continue in full force and effect.

SEC. 3. This act shall take effect on July 1, 1947.

Mr. REES. Mr. Speaker, the purpose of this legislation is (a) to make permanent the present 3-cent rate for local and nonlocal first-class mail, which rate expires June 30, 1947, and (b) to retain in full force and effect all other postage rates which are now in effect, but which would also expire on the same date. Unless renewed by legislation, the letter rate will revert to 2 cents on July 1, 1947, thereby reducing the Department's revenue by about $189,000,000.

The resolution further provides for the extension of certain existing increases in fourth-class mail and registered mail. These items amount to $16,260,000. Considering the critical financial situation of the Post Office Department and the fact that the present cost of handling first-class local and nonlocal mail exceeds 2 cents, and considering further that the first-class nonlocal 3-cent rate has been in existence since 1932 and the 3-cent local rate since 1933, the committe recommends a permanent change to be made in the first-class rate. It also recommends the extension of the existing increases in fourth-class and registered mail above mentioned, amounting to $16,260,000, making a total of $205,000,000 that the Department would lose if these rates are permitted to lapse.

It is imperative, therefore, that this resolution be adopted promptly so that there may be no question about these rates remaining in effect after July 1, 1947.

Mr. SMITH of Virginia. Mr. Speaker, will the gentleman yield?

Mr. REES. I yield to the distinguished gentleman from Virginia, a member of the House Committee on Rules.

Mr. SMITH of Virginia. Your committee has reported a bill which is rather comprehensive in its terms and for which I compliment the committee. It undertakes to save for the Government some of the half billion dollars in subsidies that are now being paid out, resulting in a loss to the Post Office Department. I am wondering whether the gentleman is going to be successful in getting that bill before the House as a part of the economy program of his party, so that we can save the Government this half billion dollars this year.

Mr. REES. Our committee did spend a great deal of time and energy in consideration of this legislation. I want to pay tribute to the members of our committee on both sides of the aisle who worked diligently, and spent their time and effort in bringing to this House what I believe to be a reasonable and sensible bill dealing with this problem.

That bill is pending before the Committee on Rules, of which the distinguished gentleman from Virginia is a member. I appreciate very much his interest in and his support of this legislation. In the meantime there are only a few days remaining. So it becomes necessary for our committee to recommend for passage this resolution that is before us today. However, it is not the intention of the chairman of the committee to withdraw the bill pending before the Rules Committee. I expect to appear before the gentleman's committee within the next day or two asking for a rule to bring that legislation before the House.

Mr. SMITH of Virginia. Will the gentleman yield further?

Mr. REES. I shall be glad to yield.

Mr. SMITH of Virginia. I wonder if the gentleman knows why we cannot get a hearing before the Rules Committee on that bill.

Mr. REES. I do not know. It has not been refused but the time is getting very short.

Mr. SMITH of Virginia. I understand this bill relates to the catalogs of mail-order houses. Why in the world anybody should want the Government to subsidize those mail-order houses and send this advertising matter through the mails free is not understandable to me. I wonder why the gentleman is not able to get a hearing before the Rules Committee.

Mr. REES. I am in accord with the gentleman's viewpoint. The President in his budget address of January 10, of course, said he was going to ask the Post Office Department to submit legislation that would raise $300,000,000 to wipe out the deficit in the postal service. The Post Office Department finally came up with recommendations of schedules of increases that would raise approximately $176,000,000 and the House committee, after spending more than 2 months taking testimony, finally submitted a bill to raise about $110,000,000.

I believe the gentleman well knows that there are some Members who are reluctant to go along with us. We hope, however, that we may be able to get a rule, and I trust we may be able to get a bill before the House. Then let the membership of the House decide the question.

At this particular time, however, we are faced with the necessity of extending the 3-cent rate promptly; otherwise we lose revenue amounting to approximately $205,000,000.

Mr. RIZLEY. Mr. Speaker, will the gentleman yield?

Mr. REES. I yield to the distinguished gentleman from Oklahoma, a member of the Rules Committee.

Mr. RIZLEY. Can the gentleman tell us what the deficiency was during the current fiscal year in the operations of the Post Office Department under the present administration?

Mr. REES. During the year 1946?

Mr. RIZLEY. Yes.

Mr. REES. In 1946, of course, it did not amount to as much as $300,000,000. To be fair about it, the principal reason for this deficit is because this Congress—rightly so—saw fit to raise the salaries of workers in the postal service. That is the reason for the large deficit.

The SPEAKER. The time of the gentleman from Kansas has expired.

Mr. REES. Mr. Speaker, I ask unanimous consent to proceed for five additional minutes.

The SPEAKER. Is there objection to the request of the gentleman from Kansas?

There was no objection.

Mr. RIZLEY. In order to make up that deficiency as soon as possible the administration made some recommendations that the present postal rates be increased. Is that correct?

Mr. REES. The Post Office Department recommended an increase in second-, third-, and fourth-class mail rates. The recommendations made in the matter of the second-class rates would have raised something like $33,000,000. The committee came back with a raise of about $9,000,000. The same is true with reference to third-class rates. The Post Office recommended $32,500,000 for third-class matter. We did not raise it quite as much as they recommended. For fourth-class mail the Post Office recommended increased rates to raise an additional $50,000,000. The committee bill would raise a little less, I am informed. As a matter of fact, fourth-class mail, under the law, is supposed to pay its way.

Mr. RIZLEY. Notwithstanding the fact that this deficiency has been coming about the Department took no steps to increase the rates; but, then, I believe they cannot.

Mr. REES. The Post Office Department cannot increase the second and third class rates.

Mr. RIZLEY. When previously had they recommended that any increase be made?

Mr. REES. In March of this year.

Mr. RIZLEY. But over the years when we had a Democratic Congress was there any recommendation made to increase the rates or do away with the subsidies?

Mr. REES. I was not a member of the Post Office Committee at that time. The gentleman from Illinois [Mr. MASON] was a member of the committee and took a deep interest in these problems. I will yield to him.

Mr. MASON. The Post Office Department did recommend a year ago, and a year and a half ago, that the rates be raised. The House has already passed a raise in rates but it has always been stymied in the Senate.

Mr. RICH. Mr. Speaker, will the gentleman yield?

Mr. REES. I yield to my distinguished colleague from Pennsylvania.

Mr. RICH. The 3-cent letter-mail rate which this bill seeks to continue was inaugurated way back in 1934, when there was raised $100,000,000 to clear up a deficit the Post Office Department had incurred.

I told the membership at the time—and you will find it in the RECORD—that if you kept up your spending the 3-cent rate would never be reduced. We were assured loudly and lustily by the Democratic administration that it was only temporary, that their sole purpose was to use it to balance the postal budget. It has continued through the years, long after the $100,000,000 was cleared up, and in the last few years it has been used to take care of the spending of the Democratic administration. The Democrats are still short $150,000,000 in the Post Office Department. It seems to me if there was ever anything unbusinesslike, it was the statements as to the purpose for which this increased postage rate was to be used. It was just a camouflage for the American people.

Mr. REES. I appreciate the gentleman's observation. Even so, there has been an increase in the cost in the Post Office Department, due to increased salaries and wages.

Mr. RICH. Yes; but the same administration passed all these laws to spend money.

Mr. REES. We increased the salaries of all those people.

Mr. RICH. The gentleman is not trying to defend the laws that were passed to spend this money, is he?

Mr. REES. Of course, I am not defending any unnecessary spending. Of course, this administration has spent a tremendous amount of money that should have been saved.

Mr. MURRAY of Tennessee. Mr. Speaker, will the gentleman yield?

Mr. REES. I yield to the gentleman from Tennessee, ranking minority member of my committee, who has given a great amount of study to this problem.

Mr. MURRAY of Tennessee. Is it not true that except for the increase in the salaries of postal employees in 1945 and 1946, there would not be any deficit today? The deficit for the current fiscal year is about $300,000,000.

Mr. REES. Yes; I think the gentleman has stated the situation correctly.

Mr. MURRAY of Tennessee. The increase in salaries, which was voted by Members on both sides of this House, almost unanimously, amounts to $351,000,000.

Mr. REES. The statements of the gentleman is correct.

Mr. Speaker, I would like to clarify the situation a little further for the RECORD. The President, in his budget message, called attention to a deficit for this year, in second-, third-, and fourth-class mail matter, and stated he was requesting the Post Office Department to submit rates to wipe out the deficit. The Department came up with recommendations for increases they say would raise approximately $176,000,000 of that amount.

Our committee, after 2 months of hearings and study of the problem, submitted H. R. 3519 that includes the proposal we have here today, and would, in addition thereto, increase revenues approximately $110,000,000. In other words, the bill would raise a little more than one-third of the anticipated deficit.

There has been so much misunderstanding with regard to the postal increase bill that I do not want to endanger the emergency provisions contained in this resolution.

The postal bill has not only been misunderstood, but the recommendations of our committee have been subjected to misinterpretations of various kinds. The principal question involved is whether those who use the mail, the big volume for business purposes, should pay a share of the increased cost of the postal service they use, or whether the entire deficit shall be charged to the Federal Treasury.

I believe, when given an opportunity to have this legislation presented, the Members of this House will agree the provisions are fair and reasonable, and that the recommendations of our committee should be approved.

It has been suggested, among other things, that we wait until an investigation of the Post Office Department has been concluded. Certainly there will be a survey and investigation to determine where economies may be made and waste eliminated. We want to know, also, whether there are places where the Department may be made more efficient. We expect to press that matter as promptly and vigorously as can be done. To that, let me say it will take several months. By that time the deficit will have mounted to several hundred million dollars that will be charged to the Federal Treasury.

The bill has been criticized because of increase in rate on fourth-class matter (books, catalogs, and parcel post). I call your attention to the fact that under the present law this class of mail is expected to pay its own way. I have today, addressed a letter to the acting Postmaster General, directing his attention to this matter.

I think it is fair to call attention to the fact too that rates in postal service on some classes of mail have not been changed since 1879, and other classes since 1932. I believe it is the duty of Congress to at least look them over. Certainly no member of our committee, and no one in this House want to provide rates that will penalize or injure anyone using the postal service.

Mr. SMITH of Virginia. Mr. Speaker, I move to strike out the last word.

Mr. Speaker, I do not want to enter into any political controversy about this thing or raise any political question. I just want to talk a little sound financial business about it. We have had this bill reported from the Committee on Post Offices and Civil Service for a month or more with an application for a rule from the Rules Committee so that the House might have the question before it and determine the matter. It is inconceivable to me, if we have any idea at all about common sense, that we should sit here and refuse the House the opportunity to decide the question whether we are going to continue to subsidize mail-order-house catalogs, commercial advertisements, and other similar mail at the present huge expense to the taxpayers. That just does not make sense to me.

I was in hopes, and I am sure the gentleman from Pennsylvania who is seeking to interrupt me has been in hopes, that we were going to get some economy in this Congress, that we were going to save some of this money that has been needlessly expended. I cannot think of any more useless and unjustifiable expenditure on the part of the Government than to subsidize mail-order-house catalogs and other advertising matter.

Let us get down to business here and see if we cannot save some of this money. I do not want to talk politics about this but I cannot help it because you gentlemen on the left have been maintaining that you are going to give us economy in Government, you are going to give us a business administration. There is just not any business in spending two or three hundred million dollars a year to subsidize a lot of mail-order catalogs, magazines, and commercial advertising.

Mr. RICH. Mr. Speaker, will the gentleman yield?

Mr. SMITH of Virginia. I yield to the gentleman from Pennsylvania.

Mr. RICH. The gentleman is absolutely correct.

In my opinion, the Congress ought to recognize that fact and it ought to bring a bill in here doing that very thing. But let me say and repeat what I was saying awhile ago, if you raise this $300,000,000 in postal rates then you will pass a lot of laws because the Post Office Department says every time you do that that they want the money from the Congress because you will raise a lot of wages, and I am against that. I think we ought to stop here some time.

Mr. SMITH of Virginia. The gentleman's party is in power, the gentleman is for economy and you do not have to pass any more laws. I hope that the gentleman from Pennsylvania will cooperate with me in the Rules Committee to at least obtain a hearing for these gentlemen on the Post Office Committee who have worked so hard on the bill, so that it may be submitted to the House. If we are wrong, that is another thing. The House does not have to pass it. But why cannot the House consider a bill that its own committee has worked so hard on, and is calculated to save $165,000,000?

Mr. RICH. You can count on my help. I shall be with you.

Mr. SMITH of Virginia. I know the gentleman will.

Mr. MURRAY of Tennessee. Mr. Speaker, will the gentleman yield?

Mr. SMITH of Virginia. I yield to the gentleman from Tennessee.

Mr. MURRAY of Tennessee. I am in agreement with the gentleman from Virginia in his views. The Post Office and Civil Service Committee conducted hearings for over a month on this legislation. We worked faithfully on this bill and we have prepared a good bill. It is nonpartisan, it is nonpolitical, and will give us about $110,000,000 in additional postal revenues. But since the bill was reported, we find certain influences which are preventing a rule being granted on the bill. We find the book lobby, the magazine and other interests fighting to keep us from getting a rule. I sincerely hope that the gentleman from Virginia, with the help of the gentleman from Pennsylvania, will assist us in getting a rule.

I will say to the gentleman from Virginia that our distinguished chairman, the gentleman from Kansas [Mr. REES], the author of this bill, has been most active in sponsoring this legislation.

Mr. REES. Mr. Speaker, will the gentleman yield?

Mr. SMITH of Virginia. I yield to the gentleman from Kansas.

Mr. REES. The thing resolves itself into whether or not you are going to let these people who use the mail for commercial purposes pay at least a part of their own way or whether you are going to charge it to the taxpayers of this country?

Mr. SMITH of Virginia. I am in favor of them paying their own way.

Mr. CHURCH. Mr. Speaker, will the gentleman yield?

Mr. SMITH of Virginia. I yield to the gentleman from Illinois.

Mr. CHURCH. When the special committee investigators find out a number of facts with reference to the business management of the Postal Department, it will be able to make some recommendations that will save a lot of money as an economic matter. I have great faith in what the committee can bring forth.

Mr. SMITH of Virginia. But it will not save this money that you are giving

to the mail order houses and the other advertisers through the deficit they are creating. They are not paying as much in postal rates as it costs the Government to send the stuff through the mails, and there is no excuse for that sort of business.

The SPEAKER. The time of the gentleman from Virginia has expired.

Mr. MURRAY of Tennessee. Mr. Speaker, I move to strike out the last three words.

Mr. Speaker, I am heartily in favor of the enactment of the resolution sponsored by the gentleman from Kansas, [Mr. REES], the chairman of our committee. This resolution has the unanimous approval of our committee. It is absolutely essential legislation at this time. If this resolution is not adopted prior to July 1, the Post Office Department will suffer a loss of revenue of around $200,000,000 per year. I hope that after the resolution is adopted that then the Committee on Rules will give us a rule on the omnibus bill providing an increase in various postal rates.

Mr. BREHM. Mr. Speaker, I move to strike out the last four words.

Mr. Speaker, I am not in favor of subsidizing mail-order house catalogs or large magazine units, but I do think it should be pointed out here that the omnibus bill which has been discussed, also covers schoolbooks and certain library books, and that if this omnibus bill does come forward I trust that it will eliminate those essential library and schoolbooks and services which are included in the omnibus bill and deal separately with your large mail-order catalog houses and your other magazine publishers. These concerns which operate for profit should certainly be dealt with on a different basis than those schools and institutions which are being operated as nonprofit organizations, in an attempt to render only service.

Mr. ALMOND. Mr. Speaker, I move to strike out the last five words.

Mr. Speaker, as the distinguished chairman of the Committee on the Post Office and Civil Service has pointed out, the joint resolution now before the House is absolutely necessary in order to keep in full force and effect the rates on first-class mail, otherwise they will expire on June 30th of this year and revert to the old rate. If that should happen, the deficit of the Post Office Department will greatly increase.

I want to say in response to some of the remarks made by my colleague, the gentleman from Virginia, that the Committee on the Post Office and Civil Service under the able leadership of the distinguished gentleman from Kansas [Mr. REES] has for many weeks conducted exhaustive, full, and painstaking hearings on the subject of the deficit in the Post Office Department. We find that the estimated deficit will approximate $287,000,000 at the end of this fiscal year. To my amazement, as a new Member of that committee, it has been called to my attention that for the last 100 years in the history of the Post Office Department, both under Republican and Democratic Administrations, in only 17 years out of those 100 has that department failed to show a deficit. In other words, it has shown a deficit for 83 years out of the last 100 years.

I should like to see the bill which is pending before the Committee on Rules reported out for action by the House, because there are some industries, some businesses, which are being subsidized by the Federal Government. I think the Congress should do something about it. As the chairman has pointed out, the Post Office recommended certain increases in rates in all classes of the postal service. If we could have seen our way clear to adopt the proposals of the Post Office Department, they would have raised approximately $176,000,000 to offset in part the $287,000,000 deficit. The bill we have worked on studiously and earnestly would increase the rates by about $110,000,000.

Mr. SPRINGER. Mr. Speaker, will the gentleman yield?

Mr. ALMOND. I yield to the gentleman from Indiana.

Mr. SPRINGER. As I understand, this measure will make permanent the present 3-cent rate on first-class mail?

Mr. ALMOND. That is the purpose and desire, as I understand it.

Mr. SPRINGER. I also understand that that is made necessary by reason of the very large deficit which has resulted throughout many years during the last 100 years?

Mr. ALMOND. The gentleman is correct.

The SPEAKER. The time of the gentleman from Virginia has expired.

The joint resolution was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

SENATE BILL REFERRED

A bill of the Senate of the following title was taken from the Speaker's table and, under the rule, referred as follows:

S. 110. An act to amend the Interstate Commerce Act with respect to certain agreements between carriers; to the Committee on Interstate and Foreign Commerce.

ADJOURNMENT

Mr. TABER. Mr. Speaker, I move that the House do now adjourn.

The motion was agreed to; accordingly (at 1 o'clock and 37 minutes p. m.) the House adjourned until tomorrow, Tuesday, June 24, 1947, at 12 o'clock noon.

EXECUTIVE COMMUNICATIONS, ETC.

Under clause 2 of rule XXIV, executive communications were taken from the Speaker's table and referred as follows:

825. A letter from the Secretary of War, transmitting a letter from the Chief of Engineers, United States Army, dated December 16, 1946, submitting a report, together with accompanying papers, on a preliminary examination of Ipswich River, Plum Island Sound, and Fox Creek, Mass., authorized by the River and Harbor Act approved on March 2, 1945; to the Committee on Public Works.

826. A communication from the President of the United States, transmitting changes in the deficiency estimates of appropriation for the fiscal years 1944 and 1945 for the Navy Department and Naval Establishment (H. Doc. No. 341); to the Committee on Appropriations and ordered to be printed.

REPORTS OF COMMITTEES ON PUBLIC BILLS AND RESOLUTIONS

Under clause 2 of rule XIII, reports of committees were delivered to the Clerk for printing and reference to the proper calendar, as follows:

Mr. LECOMPTE: Committee on House Administration. House Concurrent Resolution 40. Concurrent resolution authorizing the Committee on Un-American Activities to have printed for its use additional copies of House Report 209, Eightieth Congress, first session; without amendment (Rept. No. 633). Referred to the House Calendar.

Mr. LECOMPTE: Committee on House Administration. House Concurrent Resolution 39. Concurrent resolution authorizing the Committee on Un-American Activities to have printed for its use additional copies of the hearing held on February 6, 1947; with an amendment (Rept. No. 634). Referred to the House Calendar.

Mr. LECOMPTE: Committee on House Administration. House Resolution 186. Resolution authorizing the Committee on Ways and Means of the House of Representatives to have printed for its use additional copies of the hearings held before said committee during the current session relative to reciprocal trade agreements; without amendment (Rept. No. 635). Referred to the House Calendar.

Mr. LECOMPTE: Committee on House Administration. House Resolution 241. Resolution providing for the printing, as a House document, the "History of the Committee on the Judiciary"; without amendment (Rept. No. 636). Referred to the House Calendar.

Mr. LECOMPTE: Committee on House Administration. House Concurrent Resolution 35. Concurrent resolution providing for the printing of additional copies of House Report No. 541, Seventy-ninth Congress; House Report No. 1205, Seventy-ninth Congress; and House Report No. 2729, Seventy-ninth Congress; without amendment (Rept. No. 637). Referred to the House Calendar.

Mr. BISHOP: Committee on House Administration. Senate Joint Resolution 113. Joint resolution authorizing the erection in the District of Columbia of a memorial to the Marine Corps dead of all wars; without amendment (Rept. No. 638). Referred to the Committee of the Whole House on the State of the Union.

Mr. ALLEN of Illinois: Committee on Rules. House Resolution 252. Resolution providing for consideration of H. R. 3916, a bill to amend the Reconstruction Finance Corporation Act, as amended, and to extend the succession and certain lending powers and functions of the Reconstruction Finance Corporation, and for other purposes; without amendment (Rept. No. 639). Referred to the House Calendar.

Mr. SHORT: Committee on Armed Services. H. R. 3830. A bill to provide for the promotion and elimination of officers of the Army, Navy, and Marine Corps, and for other purposes; without amendment (Rept. No. 640). Referred to the Committee of the Whole House on the State of the Union.

PUBLIC BILLS AND RESOLUTIONS

Under clause 3 of rule XXII, public bills and resolutions were introduced and severally referred as follows:

By Mr. BULWINKLE:

H. R. 3934. A bill to amend the Public Health Service Act with respect to venereal-

disease rapid-treatment centers, and for other purposes; to the Committee on Interstate and Foreign Commerce.

By Mr. STEVENSON:

H. R. 3935. A bill to provide for the carrying of mail on star routes, and for other purposes; to the Committee on Post Office and Civil Service.

By Mr. SMITH of Virginia:

H. R. 3936. A bill to authorize the United States Park Police to make arrests within Federal reservations in the environs of the District of Columbia, and for other purposes; to the Committee on Public Lands.

PRIVATE BILLS AND RESOLUTIONS

Under clause 1 of rule XXII, private bills and resolutions were introduced and severally referred as follows:

By Mr. BATTLE:

H. R. 3937. A bill for the relief of William C. Reese; to the Committee on the Judiciary.

By Mr. ROGERS of Florida:

H. R. 3938. A bill for the relief of Flury & Crouch, Inc.; to the Committee on the Judiciary.

PETITIONS, ETC.

Under clause 1 of rule XXII, petitions and papers were laid on the Clerk's desk and referred as follows:

664. By Mr. HARDIE SCOTT: Petition of the Ukrainian-American Women's Citizen Association, of Philadelphia, Pa., urging passage of H. R. 2910, a bill to authorize the United States during an emergency period to undertake its fair share in the resettlement of displaced persons in Germany, Austria, and Italy, including relatives of citizens of members of our armed forces, by permitting their admission into the United States in a number equivalent to a part of the total quota numbers unused during the war years; to the Committee on the Judiciary.

665. By the SPEAKER: Petition of the Board of Supervisors of the County of Los Angeles, petitioning consideration of their resolution with reference to favoring and urging passage of necessary enabling legislation providing for universal military training; to the Committee on Armed Services.

666. Also, petition of Sol Pelish and others, petitioning consideration of their resolution with reference to opposition to any legislative measures for the suppression of the Communist Party; to the Committee on Un-American Activities.

667. Also, petition of Charles H. Nutting, Daytona Beach, Fla., and others, petitioning consideration of their resolution with reference to endorsement of the Townsend plan, H. R. 16; to the Committee on Ways and Means.

668. Also, petition of Mrs. Carrie L. McManus, Townsend Club No. 1, Sarasota, Fla., and others, petitioning consideration of their resolution with reference to endorsement of the Townsend plan, H. R. 16; to the Committee on Ways and Means.

669. Also, petition of Miss Ellen K. DeVries, New Port Richey, Fla., and others, petitioning consideration of their resolution with reference to endorsement of the Townsend plan, H. R. 16; to the Committee on Ways and Means.

670. Also, petition of Mrs. L. H. Anglemyer, Orlando, Fla., and others, petitioning consideration of their resolution with reference to endorsement of the Townsend plan, H. R. 16; to the Committee on Ways and Means.

671. Also, petition of Mrs. A. C. Starke, Sanford, Fla., and others, petitioning consideration of their resolution with reference to endorsement of the Townsend plan, H. R. 16; to the Committee on Ways and Means.

SENATE

TUESDAY, JUNE 24, 1947

(Legislative day of Monday, April 21, 1947)

The Senate met at 12 o'clock meridian, on the expiration of the recess.

The Chaplain, Rev. Peter Marshall, D. D., offered the following prayer:

Our Father, when we become satisfied with ourselves, hold ever before us Thy demands for perfection.

Lest we become content with a good batting average, let us see the absolutes of honesty, of love, and of obedience to Thy will Thou dost require of us.

Seeing them, may we strive after them by Thy help.

Through Jesus Christ our Lord. Amen.

THE JOURNAL

On request of Mr. WHITE, and by unanimous consent, the reading of the Journal of the proceedings of Monday, June 23, 1947, was dispensed with, and the Journal was approved.

MESSAGES FROM THE PRESIDENT—APPROVAL OF BILL

Messages in writing from the President of the United States were communicated to the Senate by Mr. Miller, one of his secretaries, and he announced that on June 23, 1947, the President had approved and signed the act (S. 824) for the relief of Marion O. Cassady.

MESSAGE FROM THE HOUSE

A message from the House of Representatives, by Mr. Swanson, one of its reading clerks, announced that the House had passed the following bills and joint resolution, in which it requested the concurrence of the Senate:

H. R. 2173. An act to amend section 7 of the act entitled "An act making appropriations to provide for the expenses of the government of the District of Columbia for the fiscal year ending June 30, 1903, and for other purposes," approved July 1, 1902, as amended;

H. R. 3131. An act to extend for the period of 1 year the provisions of the District of Columbia Emergency Rent Act, approved December 2, 1941, as amended;

H. R. 3433. An act to amend the act entitled "An act to classify the officers and members of the Fire Department of the District of Columbia, and for other purposes," approved June 20, 1906, and for other purposes;

H. R. 3744. An act to authorize the construction of a railroad siding in the vicinity of Franklin Street NE., District of Columbia;

H. R. 3861. An act to allow to a successor railroad corporation the benefits of certain carry-overs of a predecessor corporation for the purposes of certain provisions of the Internal Revenue Code;

H. R. 3864. An act to amend the District of Columbia Unemployment Compensation Act with respect to contribution rates after termination of military service; and

H. J. Res. 221. Joint resolution to provide for permanent rates of postage on mail matter of the first class, and for other purposes.

The message also announced that the House had agreed to the following concurrent resolutions, in which it requested the concurrence of the Senate:

H. Con. Res. 35. Concurrent resolution providing for the printing of additional copies of House Report No. 541, Seventy-ninth Congress; House Report No. 1205, Seventy-ninth Congress; and House Report No. 2729, Seventy-ninth Congress;

H. Con. Res. 39. Concurrent resolution authorizing the Committee on Un-American Activities to have printed for its use additional copies of the hearing held on February 6, 1947; and

H. Con. Res. 40. Concurrent resolution authorizing the Committee on Un-American Activities to have printed for its use additional copies of House Report 209, Eightieth Congress, first session.

ENROLLED BILL AND JOINT RESOLUTION SIGNED

The message further announced that the Speaker had affixed his signature to the following enrolled bill and joint resolution, and they were signed by the President pro tempore:

S. 751. An act to continue a system of nurseries and nursery schools for the day care of school-age and under-school-age children in the District of Columbia through June 30, 1948, and for other purposes; and

S. J. Res. 113. Joint resolution authorizing the erection in the District of Columbia of a memorial to the Marine Corps dead of all wars.

LEGISLATIVE PROGRAM

Mr. WHITE. Mr. President, if I may make a very brief statement with respect to the program for today, it is anticipated that there will be taken up, first, the joint resolution terminating certain war and emergency statutory provisions, in charge of the senior Senator from Wisconsin [Mr. WILEY]. That is to be followed by the naval appropriation bill. There is a desire that the Senate then consider one or two treaties which have been reported and are on the calendar. There were some other matters suggested, but they are controversial, and I feel that if these two legislative matters and the one executive matter to which I have referred are disposed of it will be sufficient for the day.

MEETING OF COMMITTEE DURING SENATE SESSION

Mr. BUCK. Mr. President, I ask unanimous consent that the Committee on the District of Columbia may meet this afternoon at 2 o'clock.

The PRESIDENT pro tempore. Without objection, it is so ordered.

PERMISSION TO HOLD HEARINGS

Mr. REED. Mr. President, the last of the great appropriation bills has been passed by the House. I refer to the independent offices appropriation bill. I am chairman of a Subcommittee on Appropriations which is in charge of that bill. We started hearings this morning. It will be necessary to work during all the available time this week in order to get out the bill, and I doubt if it can be done by June 30.

Therefore, I ask permission of the Senate that the Appropriations Subcommittee having charge of the independent offices appropriation bill may meet every afternoon this week, if necessary.